AGENDA
CENTRAL VALLEY ENERGY AUTHORITY

TURLOCK IRRIGATION DISTRICT
BOARD ROOM, MAIN OFFICE BUILDING
333 EAST CANAL DRIVE
TURLOCK, CALIFORNIA

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ALTERNATE FORMATS OF THIS AGENDA WILL BE MADE AVAILABLE UPON REQUEST TO QUALIFIED INDIVIDUALS WITH DISABILITIES. APPROPRIATE INTERPRETIVE SERVICES FOR THIS MEETING WILL BE PROVIDED IF FEASIBLE UPON ADVANCE REQUEST TO QUALIFIED INDIVIDUALS WITH DISABILITIES.

REGULAR MEETING
TUESDAY, JANUARY 7, 2025
9:00 A.M.

A. CALL TO ORDER

B. CONSENT CALENDAR

1. **Approval of minutes of the regular meeting of December 17, 2024.**

C. PUBLIC COMMENT PERIOD (5-minutes per speaker)

Interested persons in the audience are welcome to introduce any topic within the Authority's jurisdiction. Matters presented under this heading may be discussed, but no action will be taken by the Commission at this meeting.

D. ACTION ITEMS

1. **Resolution to Authorize Issuance of the CVEA Commodity Supply Revenue Bonds to Finance the Acquisition of a Long-Term Supply of Natural Gas and Electricity for the TID**
   Consider a resolution authorizing issuance of the Central Valley Energy Authority Commodity Supply Revenue Bonds to finance the acquisition of a long term supply of natural gas and energy for the Turlock Irrigation District; approving the form, execution, and delivery of (a) Trust Indenture, (b) Prepaid Commodity Sales Agreement, (c) Commodity Supply Contract, (d) Commodity Swap Agreement, (e) Re-Pricing Agreement, (f) Investment Agreements, (g) other supporting documents and agreements, (h) Bond Purchase Contract, (i) Official Statement, and (j) Continuing Disclosure Agreement; and authorizing certain other matters relating thereto.
   - Brian Stubbert, Treasurer/Auditor

E. MOTION TO ADJOURN

MINUTES OF THE COMMISSION OF THE CENTRAL VALLEY ENERGY AUTHORITY

Turlock, California
17 December 2024

A regular meeting of the Commission of the Central Valley Energy Authority was called to order at 11:21 a.m. in regular session on the 17th day of December, 2024 at the offices of the Turlock Irrigation District, 333 East Canal Drive, Turlock, California. Present were: Commissioners Michael Frantz (President), David Yonan (Vice President), Joe Alamo (Secretary), Becky Hackler Arellano, and Ron Macedo, Executive Director Brad Koehn, Treasurer/Auditor Brian Stubbert, and Executive Secretary Jennifer Land.

PRESENTATION OF THE JOINT EXERCISE OF POWERS AGREEMENT AND REPORT OF DESIGNATED OFFICERS

Treasurer/Auditor Brian Stubbert stated this is the first meeting of the Central Valley Energy Authority (CVEA), noting there are a number of different motions (action items) to be considered by the Authority as part of this meeting, and that Doug Brown from Stradling Yocca Carlson & Rauth LLP is also in attendance to answer any questions.

Mr. Stubbert also presented a brief history of the CVEA including formation of the Authority (by TID and WECA) and the Joint Exercise of Powers Agreement on November 26 to pursue a commodity prepay transaction, meetings will be held on Tuesdays at 9:00 a.m., the President, Vice President, and Secretary of the Authority are the same as the TID Board, the Executive Director of the Authority is the General Manager of the TID, and the Treasurer and Auditor of the Authority is the CFO/AGM of TID, and the fiscal year is the same as TID and WECA – December 31.

REPORT ON THE JOINT EXERCISE OF POWERS AGREEMENT FILING WITH THE SECRETARY OF STATE

Treasurer/Auditor Brian Stubbert informed the Authority that the Joint Exercise of Powers Agreement was filed with the Secretary of State on November 27 and received back on December 3, 2024 – File No. 2596.

PUBLIC COMMENT

Member of the public Milt Trieweiler inquired about the formation and purpose of the CVEA.

ACTIONS ITEMS

Commission President Frantz introduced the series of actions to establish various policies, engage with special counsel and financial advisors, direct staff to undertake a two-year audit, and authorize staff to file key initial documents for a future commodity prepay transaction.

Treasurer/Auditor Brian Stubbert clarified there are a series of eight (8) items so if the Authority so chooses, they are able to approve all motions listed within the Action Items by one vote, however they can take any item(s) separately. Mr. Stubbert also noted there is one item for the two-year audit that needs to have a unanimous vote.

The Commissioners assumed a one-vote summary of the action items.

Treasurer/Auditor Brian Stubbert presented an overview of the key information for the following action items, clarifying that the title of the motion for the debt management policy should read as adopting a Debt Management Policy similar to TID with "one exception".

Hearing no comments, the commission took the following actions:

MOTION ADOPTING AN INVESTMENT POLICY

Moved by Commissioner Alamo, seconded by Commissioner Macedo, that the Commission hereby acknowledges that California state law requires that the Authority have an approved investment policy and thereby adopts an investment policy similar to the Turlock Irrigation District Investment Policy to be utilized by the Central Valley Energy Authority. Furthermore, the Treasurer and Auditor recommends that the Commission adopt an investment policy similar to the Turlock Irrigation District Investment Policy to serve as the Investment Policy for the Authority acknowledging that, pursuant to Section 53601(m) of the Government Code of the State of California, the investment of proceeds held by the trustee of any bond, notes or other indebtedness of the Authority shall be invested in accordance with the indenture or other authorizing document with respect thereto.

All voted in favor with none opposed. The President declared the motion carried and the meeting adjourned.

MOTION ADOPTING A DEBT MANAGEMENT POLICY

Moved by Commissioner Alamo, seconded by Commissioner Macedo, that the Commission hereby acknowledges that California state law requires that the Authority approve a compliant debt management policy prior to the issuance of any debt by the Authority and thereby adopts a debt management policy similar to the Turlock Irrigation District Debt Management Policy with one exception as the debt management policy to be utilized by the Central Valley Energy Authority. Furthermore, the Treasurer and Auditor recommends that the Commission adopt a debt management policy similar to the Turlock Irrigation District Debt Management Policy to serve as the Debt Management Policy for the Authority with the following exception: the types, purposes and use of debt to be issued by the Authority may include projects for the purchase and sale of natural gas and electric energy and associated capacity and environmental attributes, including the provision of working capital therefor, and other projects and programs relating to the acquisition and financing of natural gas and energy, for the benefit of the Turlock Irrigation District, consistent with the powers and purposes of the Authority as described in the Joint Exercise of Powers Agreement.

All voted in favor with none opposed. The President declared the motion carried and the meeting adjourned.

MOTION ADOPTING THE PROPOSED FEDERAL SECURITIES LAW DISCLOSURE POLICY

Moved by Commissioner Alamo, seconded by Commissioner Macedo, that the Commission hereby acknowledges that best practices under the federal securities laws applicable to public agencies suggest including the adoption by the Authority of federal disclosure law policies and procedures prior to the issuance by the Authority of any debt in the public credit markets and thereby adopts the proposed Federal Securities Law Disclosure Policy.. Furthermore, the Treasurer and Auditor recommends to the Commission the adoption of Federal Securities Law Disclosure Policy for the Authority dated December 17, 2024, which was provided to the Commission.

All voted in favor with none opposed. The President declared the motion carried and the meeting adjourned.

MOTION ADOPTING A CONFLICT OF INTEREST CODE

Moved by Commissioner Alamo, seconded by Commissioner Macedo, that the Commission hereby acknowledges that California state law requires that the Authority adopt a Conflict of Interest Code and thereby directs the Commission to adopt a Conflict of Interest Code. The Executive Director recommends that the Commission adopt a Conflict of Interest Code for the Authority, which has been provided to the Commission.

All voted in favor with none opposed. The President declared the motion carried and the meeting adjourned.

MOTION AUTHORIZING OFFICERS TO TAKE NECESSARY ACTIONS TO FACILITATE THE CONSIDERATION BY THE COMMISSION OF A POTENTIAL COMMODITIES PREPAYMENT TRANSACTION AT A FUTURE REGULAR MEETING

Moved by Commissioner Alamo, seconded by Commissioner Macedo, that the Commission hereby acknowledges that the Executive Director and Treasurer/Auditor recommends that the Commission authorize staff, Stradling Yocca Carlson & Rauth LLP as Special Counsel, and PFM Financial Advisors LLC as Municipal Advisor, to undertake such actions as deemed necessary or appropriate by such officers to allow the Commission to consider the approval of a potential commodities prepayment transaction at a future regular meeting, including but not limited to, hereby authorizing the Treasurer and Auditor of the Authority, in consultation with PFM Swap Advisors LLC, to enter into the International Swaps and Derivatives Association ("ISDA") August 2012 and March 2013 Dodd Frank Protocols and ISDA U.S. Stay Protocol and to execute and deliver such Protocol adherence letters, agreements and related questionnaires in connection therewith.

All voted in favor with none opposed. The President declared the motion carried and the meeting adjourned.

MOTION CONSIDERING A REQUEST AND DIRECTING THE TREASURER AND AUDITOR TO UNDERTAKE A TWO-YEAR AUDIT FOR THE PERIOD ENDING DECEMBER 31, 2025

Moved by Commissioner Alamo, seconded by Commissioner Macedo, that the Commission hereby acknowledges that as authorized pursuant to Section 6505(f) of the Government Code of the State of California, the Treasurer and Auditor recommends that the Commission request and direct the Treasurer and Auditor to cause the first independent audit of the Authority to be prepared for and cover the two-year period of 2024 and 2025, with annual audits to be prepared for each fiscal year thereafter. This will avoid the Authority preparing an independent audit for the 35-day period from November 27, 2024 through December 31, 2024.

All voted in favor with none opposed. The President declared the motion carried and the meeting adjourned.

MOTION CONSIDERING THE ENGAGEMENT OF STRADLING YOCCA CARLSON & RAUTH LLP AS SPECIAL COUNSEL WITH RESPECT TO ANY PROPOSED FINANCING TRANSACTIONS

Moved by Commissioner Alamo, seconded by Commissioner Macedo, that the Commission hereby acknowledges that the Executive Director recommends the approval of the engagement of Stradling Yocca Carlson & Rauth LLP as Special Counsel for the Authority with respect to financing transactions and thereby approves the engagement of Stradling Yocca Carlson & Rauth LLP as Special Counsel, as set forth in the engagement letter dated December 17, 2024, which has been provided to the Commission.

All voted in favor with none opposed. The President declared the motion carried and the meeting adjourned.

MOTION CONSIDERING THE ENGAGEMENT OF PFM FINANCIAL ADVISORS LLC AS MUNICIPAL ADVISOR AND PFM SWAP ADVISORS LLC AS SWAP ADVISOR WITH RESPECT TO ANY PROPOSED FINANCING TRANSACTIONS

Moved by Commissioner Alamo, seconded by Commissioner Macedo, that the Commission hereby acknowledges that the Executive Director recommends the approval of the engagement of PFM Financial Advisors LLC as Municipal Advisor and PFM Swap Advisors LLC as swap advisor with respect to any proposed financing transactions and thereby approves the engagement of PFM Financial Advisors LLC and PFM Swap Advisors LLC as Swap Advisor, as set forth in the engagement letter dated December 17, 2024, which has been provided to the Commission.

All voted in favor with none opposed. The President declared the motion carried and the meeting adjourned.

MOTION TO ADJOURN

Moved by Commissioner Alamo, seconded by Commissioner Yonan, that the regular meeting of the Commission be adjourned at 11:38 a.m.

All voted in favor with none opposed. The President declared the motion carried and the meeting adjourned.

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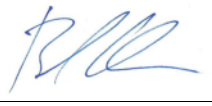
Executive Secretary to the Commission
of the Central Valley Energy Authority

BOARD AGENDA REPORT
CENTRAL VALLEY ENERGY AUTHORITY

Board Meeting Date:	January 7, 2025
Subject:	Central Valley Energy Authority Prepay Transaction Document Approval
Administration:	Financial Services
Recommended Action:	Consider approval of a resolution regarding the various documents in a commodity prepay transaction. These documents will be in substantive final form.
Background and Discussion:	The Central Valley Energy Authority (CVEA) was formed through a Joint Exercise of Powers Agreement between the Turlock Irrigation District (TID) and the Walnut Energy Center Authority (WECA), dated as of November 26, 2024, to enter into a commodity prepay transaction if markets conditions are favorable. The Authority has been working on having the appropriate documents in substantive final form, as market conditions are currently favorable for a prepay transaction. The documents included for approval are **a)** Form of Trust Indenture between CVEA and US Bank Trust Company, N.A. as Trustee; **b)** Form of the Prepaid Commodity Sales Agreement between Aron Prepay LLC and CVEA; **c)** Form of the Commodity Supply Contract between CVEA and TID; **d)** Form of an ISDA Master Agreement, the Schedule thereto and related Confirmation between CVEA and BP Energy Company relating to a commodity swap; **e)** Form of the Re-Pricing Agreement, between Aron Prepay LLC and CVEA; **f)** Form of Custodial Agreement relating to commodity swap, among CVEA, the Commodity Swap Counterparty and the Trustee, as custodian; **g)** Form of a SPE Master Custodial Agreement, among Aron Prepay LLC, J. Aron & Company LLC, CVEA and the Bank of New York Mellon, as custodian, relating to payments to be made to and by Prepay LLC; **h)** Form of the Bond Purchase Contract between CVEA and Goldman Sachs & Co. LLC; **i)** Form of the Preliminary Official Statement; and **j)** Form of Continuing Disclosure Agreement, among CVEA, the District and Willdan Financial Services and dissemination agent. It is anticipated the transaction may occur sometime in January 2025 with a potential savings of $5.4M, which is an approximate savings of 9.5% for the initial transaction period (8-10 years). We would not proceed with the transaction is the savings was less than 8%. Set forth below and made available to the public are the good faith estimates with respect to the 2025 Bonds required by Section 5852.1 of the California Government Code. The figures below are estimates and the final amounts will depend on market conditions and can be expected to vary from the estimated amounts. (a) The true interest cost of the 2025 Bonds is estimated at 4.3%, calculated as provided in Section 5852.1(a)(1)(A) of the Code. (b) The finance charge of the 2025 Bonds, including all fees and charges paid to third parties, is estimated at $$6,915,440. (c) Proceeds of the 2025 Bonds expected to be received by CVEA for the sale of the 2025 Bonds less the finance charge described in (b) above, any reserves and any capitalized interest paid from proceeds of the Bonds, and the structuring fee mentioned above is equal to $1,103,465,373. (d) The total payment amount calculated as provided in Section 5852.1(a)(1)(D) of the Code is estimated at $1,590,856,163.

Alternative(s) Pros and Cons:	Alternative: Not approve the resolution to pursue a prepay transaction. Pros: Minimal. Cons: The savings achieved from a commodity prepay transaction would not be attained.
Additional Information:	The savings listed above is net of fees, with the exception of the annual audit fees and the time staff works on the transaction on an annual basis.
Fiscal Impact:	Entering into a prepay transaction will achieve a financial benefit for CVEA and in turn, the TID. The actual savings is unknown, however the anticipated savings is around $5.4M a year for the initial transaction period (8-10 years).

Presenter Signature	Dept. Manager Signature	AGM Signature
Brian Stubbert		Brian Stubbert
Name: Brian Stubbert	Name:	Name: Brian Stubbert
Date Signed: 12/30/2024	Date Signed:	Date Signed: 12/30/2024

GM Signature

Name: Brad Koehn
Date Signed: 01/02/2025

RESOLUTION NO. 2025 –

RESOLUTION AUTHORIZING ISSUANCE OF THE CENTRAL VALLEY ENERGY AUTHORITY COMMODITY SUPPLY REVENUE BONDS TO FINANCE THE ACQUISITION OF A LONG-TERM SUPPLY OF NATURAL GAS AND ELECTRICITY FOR THE TURLOCK IRRIGATION DISTRICT; APPROVING THE FORM, EXECUTION, AND DELIVERY OF (A) A TRUST INDENTURE, (B) A PREPAID COMMODITY SALES AGREEMENT, (C) A COMMODITY SUPPLY CONTRACT, (D) A COMMODITY SWAP AGREEMENT, (E) A RE-PRICING AGREEMENT, (F) INVESTMENT AGREEMENTS, (G) OTHER SUPPORTING DOCUMENTS AND AGREEMENTS, (H) A BOND PURCHASE CONTRACT, (I) AN OFFICIAL STATEMENT, AND (J) A CONTINUING DISCLOSURE AGREEMENT; AND AUTHORIZING CERTAIN OTHER MATTERS RELATING THERETO

WHEREAS, the Walnut Energy Center Authority and the Turlock Irrigation District (the "District") entered into a Joint Exercise of Powers Agreement, dated as of November 26, 2024 (the "JPA Agreement"), creating and establishing the Central Valley Energy Authority (the "Authority") pursuant to the Joint Exercise of Powers Act, Section 6500 et seq. of the California Government Code (the "Act"), for the purpose of providing assistance to the District in connection with the financing of, among other things, projects for the acquisition of supplies of natural gas and electricity; and

WHEREAS, the Authority is authorized by the Act and its JPA Agreement to purchase and sell natural gas and electric energy and associated capacity and environmental attributes and to issue revenue bonds to finance or refinance the cost of acquisition of such supplies, and is vested with all powers necessary to accomplish the purposes for which it was created; and

WHEREAS, the District has determined that it is desirable to utilize a prepayment financing arrangement for the acquisition of natural gas and electric energy, including under existing gas supply agreements; and

WHEREAS, the Authority has determined to purchase certain quantities of gas and electricity from a specified Aron Energy Prepay LLC ("Prepay LLC") on a prepaid basis (the "Project") and to sell such gas and electricity to the District, as contemplated herein; and

WHEREAS, the Authority has determined to finance the costs of the Project with the proceeds of its Commodity Supply Revenue Bonds, Series 2025 (the "Bonds"); and

WHEREAS, the Authority now desires to authorize the officers of the Authority to take all necessary action to accomplish the purchase of the Project on a prepaid basis, the sale of gas and electricity to the District and the issuance, sale and delivery of the Bonds; and

WHEREAS, pursuant to a Trust Indenture (the "Indenture"), between the Authority and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), the Authority will issue the Bonds for the purpose, among others, of financing the costs of the Project; and

WHEREAS, pursuant to a Bond Purchase Contract, to be dated the date of sale of the Bonds (the "Bond Purchase Contract"), between Goldman Sachs & Co. LLC, as underwriter (the "Underwriter"), and the Authority, the Bonds will be sold to the Underwriter, and the proceeds of

such sale will be used as set forth in the Indenture and the Bond Purchase Contract to finance the costs of the Project and pay costs incurred in connection with the issuance of the Bonds; and

WHEREAS, pursuant to a Prepaid Commodity Sales Agreement (the "Prepaid Commodity Agreement") between the Authority and Prepay LLC, the Authority will acquire such supplies of gas and electricity from Prepay LLC; and

WHEREAS, pursuant to a Commodity Supply Contract (the "Supply Contract") between the Authority and the District, the Authority will sell such supplies of gas and electricity to the District over a period of years; and

WHEREAS, there has been prepared a Preliminary Official Statement to be distributed in connection with the proposed offering and sale of the Bonds; and

WHEREAS, there have been made available to the Commissioners of the Authority the following documents and agreements:

1. A proposed form of the Indenture; and

2. A proposed form of the Prepaid Commodity Agreement; and

3. A proposed form of the Supply Contract; and

4. Proposed forms of an ISDA Master Agreement, the Schedule thereto and related Confirmation between the Authority and BP Energy Company, a Delaware corporation (the "Commodity Swap Counterparty") relating to a commodity swap (collectively, the "Commodity Swap Agreement"); and

5. A proposed form of Re-Pricing Agreement (the "Re-Pricing Agreement"), between Prepay LLC and the Authority; and

6. A proposed form of Custodial Agreement (the "Commodity Swap Custodial Agreement"), among the Authority, the Commodity Swap Counterparty and the Trustee, as custodian, relating to payments under the commodity swap; and

7. A proposed form of SPE Master Custodial Agreement (the "SPE Custodial Agreement"), among Prepay LLC, J. Aron & Company LLC, a New York limited liability company ("J. Aron"), the Authority and The Bank of New York Mellon, as custodian, relating to payments to be made to and by Prepay LLC; and

8. A proposed form of the Bond Purchase Contract; and

9. A proposed form of the Preliminary Official Statement; and

10. A proposed form of Continuing Disclosure Agreement (the "Continuing Disclosure Agreement"), among the Authority, the District and Willdan Financial Services, as dissemination agent.

WHEREAS, the Commission has reviewed the proposed prepayment Project transaction and the documents and agreements submitted to this meeting and the provisions of the California Environmental Quality Act ("CEQA") and has considered whether any direct or indirect physical changes to the environment will result from entering into such transaction and such documents

and agreements and from the issuance of the Bonds, and has considered whether taking any of those actions may possibly have a significant effect on the environment; and

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the actions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Authority is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such actions for the purpose, in the manner and upon the terms herein provided.

NOW, THEREFORE, BE IT RESOLVED by the Commission of the Central Valley Energy Authority as follows:

Section 1. All of the recitals herein contained are true and correct and the Commission so finds.

Section 2. Pursuant to the Act and the Indenture, the Authority is hereby authorized to issue its revenue bonds designated as the "Central Valley Energy Authority Commodity Supply Revenue Bonds, Series 2025" in an aggregate principal amount not to exceed $1,250,000,000 in one or more series or subseries, as tax-exempt and/or taxable bonds, and with such other name or names of the Bonds or series thereof as designated in the Indenture pursuant to which the Bonds are issued. The Bonds shall be issued and secured in accordance with the terms of, and shall be in the form or forms set forth in, the Indenture made available to the Commissioners of the Authority for this meeting. The Bonds shall be executed by the manual or facsimile signature of the President, the Vice President, the Executive Director or the Treasurer of the Authority, or other Authorized Officer (as hereinafter defined), and attested by the manual or facsimile signature of the Secretary, Executive Secretary, Deputy Secretary or other Authorized Officer of the Authority.

Section 3. The proposed form of the Indenture, as made available to the Commissioners of the Authority for this meeting, is hereby approved. Any one of the President, Vice President, Executive Director or Treasurer of the Authority, acting singly (each an "Authorized Officer") is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver, after consultation with Stradling Yocca Carlson & Rauth LLP, as bond counsel ("Bond Counsel"), the Indenture in substantially said form, with such changes and insertions therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, that the dated date, final maturity date of the Bonds (not later than December 1, 2057), interest rate or rates for each maturity (not to exceed 6.0% per annum), interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, mandatory purchase provisions, tender provisions, terms of redemption and other terms of the Bonds shall be as provided in the Indenture, as finally executed.

Section 4. The proposed form of the Prepaid Commodity Agreement, as made available to the Commissioners of the Authority for this meeting, is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver, after consultation with Stradling Yocca Carlson & Rauth LLP, as special counsel to the Authority ("Special Counsel"), the Prepaid Commodity Agreement in substantially said form, with such changes and insertions therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The proposed form of the Supply Contract, as made available to the Commissioners of the Authority for this meeting, is hereby approved. Any Authorized Officer is

hereby authorized and directed, for and on behalf of the Authority, to execute and deliver, after consultation with Special Counsel, the Supply Contract in substantially said form, with such changes and insertions therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 6. The proposed forms of the Commodity Swap Agreement, as made available to the Commissioners of the Authority for this meeting, are hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver, after consultation with Special Counsel, the Commodity Swap Agreement in substantially said forms, with such changes and insertions therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Commission of the Authority hereby finds and determines, pursuant to Section 5922 of the California Government Code, that due consideration has been given for the creditworthiness of the Commodity Swap Counterparty, and that the Commodity Swap Agreement is designed to reduce the amount or duration of rate, spread or similar risk and result in a lower cost of borrowing when used in combination with the issuance of the Bonds, including entering into the Prepaid Commodity Agreement and the Supply Contract, and, in particular, to reduce the rate, spread or similar risk between the variable payments to be made by the District under the Supply Contract (which are a part of the Trust Estate pledged under the Indenture to secure the Bonds) and the fixed payments to be made on the Bonds.

Section 7. The proposed form of the Re-Pricing Agreement, as made available to the Commissioners of the Authority for this meeting, is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver, after consultation with Special Counsel, the Re-Pricing Agreement in substantially said form, with such changes and insertions therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 8. The proposed forms of the Commodity Swap Custodial Agreement and the SPE Custodial Agreement, as made available to the Commissioners of the Authority for this meeting, are hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver, after consultation with Special Counsel, each of such agreements, in substantially said forms, with such changes and insertions therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 9. Notwithstanding the authorized investments specified in the Authority's investment policy, in connection with the Bonds each Authorized Officer is hereby authorized to enter into (or to direct the Trustee to enter into) one or more investment agreements, guaranteed investment contracts, or similar agreements (the "Investment Agreements") with respect to amounts credited to the Debt Service Account and the Debt Service Reserve Account and the Commodity Reserve Account established under the Indenture. The Investment Agreements shall bear the rates and contain other terms as any Authorized Officer may approve (such approval to be conclusively evidenced by such Authorized Officer's execution and delivery thereof). Each Authorized Officer is hereby authorized to execute such documents and to take any and all actions which such officer may deem necessary or desirable in connection with the execution and delivery of the Investment Agreements.

Section 10. The proposed form of the Bond Purchase Contract, as made available to the Commissioners of the Authority for this meeting, is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver, after

consultation with Bond Counsel, the Bond Purchase Contract in substantially said form, with such changes and insertions therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided that the Underwriters' discount or compensation pursuant to such Bond Purchase Contract shall not exceed 0.65% of the principal amount of the Bonds.

Section 11. The preparation and distribution of the Preliminary Official Statement, including appendices C, D, E, F and G but excluding appendices A, B, H, I and J (the "Authority Portion"), in substantially the form as made available to the Commissioners of the Authority for this meeting, is hereby approved. Each Authorized Officer is hereby authorized to make such changes, insertions and omissions as may be recommended by Bond Counsel and to sign a certificate pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 relating to the Authority Portion of the Preliminary Official Statement. Upon execution of such certificate, the Underwriter is hereby authorized to distribute copies of said Preliminary Official Statement to persons who may be interested in the initial purchase of the Bonds. Each Authorized Officer is hereby authorized and directed to execute, approve and deliver the Official Statement in the form of the Preliminary Official Statement, with such changes, insertions and omissions to the Authority Portion of the Official Statement as may be recommended by Stradling Yocca Carlson & Rauth LLP , as disclosure counsel ("Disclosure Counsel") and approved by the officer executing the same, said execution being conclusive evidence of such approval. The Underwriter is directed to deliver copies of any final Official Statement to all actual initial purchasers of the Bonds. Each Authorized Officer is hereby authorized to execute and deliver one or more amendments or supplements to the Preliminary Official Statement or the final Official Statement which an Authorized Officer may deem necessary or as may be recommended by Disclosure Counsel.

Section 12. The proposed form of the Continuing Disclosure Agreement, as made available to the Commissioners of the Authority for this meeting, is hereby approved. Any Authorized Officer is hereby authorized to execute and deliver, after consultation with Bond Counsel, the Continuing Disclosure Agreement in the form presented to this meeting, with such changes, insertions and deletions as may be approved by such Authorized Officer, said execution being conclusive evidence of such approval.

Section 13. Stradling Yocca Carlson & Rauth LLP is hereby appointed to act as Bond Counsel and Disclosure Counsel to the Authority in connection with the Bonds in accordance with the terms of the engagement letter on file with the Secretary.

Section 14. The Commission acknowledges that the good faith estimates required by Section 5852.1 of the California Government Code are disclosed in the staff report and are available to the public at the meeting at which this Resolution is approved.

Section 15. The Commission does hereby determine that the adoption of this resolution to authorize execution of the agreements and documents described herein and implementation of actions necessary to accomplish the intention of this resolution is not a project pursuant CEQA Guidelines Section 15378(b)(4) as it involves government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment; thus, it is not subject to CEQA pursuant to CEQA Guidelines Section 15060(c)(3).

Section 16. The Authorized Officers, each acting alone, are hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver any and all documents (and the Secretary, Executive Secretary, Deputy Secretary or any other Authorized

Officer is authorized to attest to the signature of any such Authorized Officer, as applicable), including, without limitation, signature certificates, no-litigation certificates, tax certificates and/or agreements relating to the Bonds, certificates concerning the contents of the Preliminary Official Statement and the Official Statement and the representations and warranties in the Bond Purchase Contract, letters of representation relating to book-entry registration, and any other agreements required in connection with the issuance or administration of the Bonds, including a conflict waiver letter with Goldman Sachs & Co. LLC, any ISDA protocols relating to or required by the commodity swap or other transaction documents, any calculation agent agreement relating to the Bonds, any investment agreement relating to the Bonds or the investment of moneys in the funds and accounts under the Indenture, any collateral agency agreement or additional custodial agreements relating to the Bonds, and any and all documents and certificates to be executed in connection with securing credit support, if any, for the Bonds, or investing proceeds of the Bonds or other moneys held under the Indenture, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this Resolution and to consummate by the Authority the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given under or in accordance with such documents, and including executing any agreements for the retaining of financial, legal or other consultants, as needed, the costs for which may be payable from proceeds of the Bonds.

Section 17. Any member of the Commission and any Authorized Officer, shall be, and each of them hereby is, authorized to give or take all approvals, consents, directions, instructions, notices, orders, requests, indemnifications and other actions permitted or required by any of the documents authorized by this Resolution or as permitted or required to effect any investment of proceeds of the Bonds or obtaining any credit support, if any, with respect to the Bonds, and to take any such action that such member or officer, with the advice of Special Counsel or Bond Counsel, may deem necessary or desirable to further the purposes of this Resolution.

Section 18. All actions heretofore taken by the officers, employees and agents of the Authority with respect to the matters set forth above are hereby approved, confirmed and ratified.

Section 19. The Commission hereby approves the execution and delivery of any or all agreements, documents, certificates and instruments referred to herein with electronic signatures as may be permitted under the California Uniform Electronic Transactions Act and digital signatures as may be permitted under Section 16.5 of the California Government Code using DocuSign.

Section 20. This Resolution shall take effect from and after its date of adoption.

Moved by Commissioner , seconded by Commissioner , that the foregoing resolution be adopted.

Upon roll call the following vote was had:

Ayes:
Noes:
Absent:

The President declared the resolution _____.

I, Jennifer Land, Executive Secretary to the Commission of the CENTRAL VALLEY ENERGY AUTHORITY, do hereby CERTIFY that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of said Commission held the 7th day of January 2025.

_____
Executive Secretary to the Commission
of the Central Valley Energy Authority

TRUST INDENTURE

between

CENTRAL VALLEY ENERGY AUTHORITY

and

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
AS TRUSTEE**

**$[PAR AMOUNT]
COMMODITY SUPPLY REVENUE BONDS, SERIES 2025**

DATED AS OF JANUARY 1, 2025

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TRUST INDENTURE

This TRUST INDENTURE, dated as of January 1, 2025 (this "Indenture"), is entered into by and between CENTRAL VALLEY ENERGY AUTHORITY, a joint powers authority and public entity of the State of California (the "Issuer") and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America authorized by law to accept and execute trusts of the character set out in this Indenture, as trustee (the "Trustee"),

WITNESSETH

WHEREAS, capitalized terms used, and not otherwise defined, in the following recitals and granting clauses have the meaning assigned to such capitalized terms in Section 1.1; and

WHEREAS, pursuant to the provisions of the Joint Exercise of Powers Act, constituting Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the California Government Code, as amended and supplemented, the Turlock Irrigation District ("TID") and the Walnut Energy Center Authority entered into a joint powers agreement pursuant to which the Issuer was organized for the purpose, among other things, of entering into contracts and issuing bonds to assist TID in financing the acquisition of supplies of natural gas and electricity; and

WHEREAS, the Issuer is authorized to acquire supplies of natural gas and electricity and to issue revenue bonds to finance the cost of acquisition of such supplies, and is vested with all powers necessary to accomplish the purposes for which it was created; and;

WHEREAS, the Issuer has determined to finance the Cost of Acquisition of the Commodity Project through the issuance of Bonds pursuant to this Indenture;

WHEREAS, the execution and delivery of this Indenture has been in all respects duly and validly authorized and approved by resolution of the governing body of the Issuer; and

WHEREAS, the Trustee is willing to accept the trusts provided for in this Indenture;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, and the Issuer and the Trustee agree as follows for the benefit of the other, and for the benefit of the Holders of the Bonds issued pursuant hereto:

GRANTING CLAUSES

FOR AND IN CONSIDERATION of the premises, the mutual covenants of the Issuer and the Trustee herein, the purchase of the Bonds by the Holders thereof and the obligations of the Interest Rate Swap Counterparty under the Interest Rate Swap, if any, and in order to secure:

(i) the payment of the principal of and premium, if any, and interest on the Bonds and the payment of the Interest Rate Swap Payments, in each case according to the tenor and effect of the Bonds and the Interest Rate Swap, if any, and

(ii) the performance and observance by the Issuer of all the covenants expressed or implied herein and in the Bonds,

the Issuer does hereby grant to the Trustee a lien on and a security interest in the Trust Estate and convey, assign and pledge unto the Trustee and its successors in trust, all right, title and interest of the Issuer in and to the Trust Estate, subject to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in this Indenture and the prior pledge of the Commodity Swap Reserve Account set forth below, and all other rights hereinafter granted for the further securing of the Bonds and the Interest Rate Swap Payments;

FOR AND IN CONSIDERATION of the obligations of the Commodity Swap Counterparty under the Issuer Commodity Swap and the mutual covenants of the Issuer and the Commodity Swap Counterparty thereunder, and in order to secure the payment of the Commodity Swap Payments, the Issuer does hereby convey, assign and pledge unto the Commodity Swap Counterparty and their successors in trust, all right, title and interest of the Issuer in the Commodity Swap Reserve Account and the amounts and investments on deposit therein, which conveyance, assignment and pledge shall be for the equal and proportional benefit of the Commodity Swap Counterparty and shall have priority over the foregoing conveyance, assignment and pledge of the Commodity Swap Reserve Account in favor of the Bonds and the Interest Rate Swap Payments;

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby and hereafter conveyed and assigned, or agreed or intended so to be, to the Trustee and its respective successors in said trust and assigns forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of (i) all Holders of the Bonds without privilege, priority or distinction as to the lien or otherwise of any Bond over any other Bond or the payment of interest with respect to any Bond over the payment of interest with respect to any other Bond, except as otherwise provided herein, and (ii) the Interest Rate Swap Counterparty, if any; and

PROVIDED, HOWEVER, that if the Issuer, its successors or assigns shall well and truly pay, or cause to be paid, the principal or Redemption Price, if any, on the Bonds and the interest due or to become due thereon, the Commodity Swap Payments and the Interest Rate Swap Payments, at the times and in the manner provided in the Bonds, the Issuer Commodity Swap and any Interest Rate Swap, respectively, according to the true intent and meaning thereof, and shall cause the payments to be made into the Funds as required hereunder, or shall provide, as permitted hereby, for the payment thereof as provided in Section 12.1, and shall well and truly keep and perform and observe all the covenants and conditions of this Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payments or provisions for such payments by the Issuer, the Bonds, the Issuer Commodity Swap and any Interest Rate Swap shall cease to be entitled to any lien, benefit or security under this Indenture, and all covenants, agreements and obligations of the Issuer to the Holders of such Bonds shall thereupon cease, terminate and be discharged and satisfied; otherwise this Indenture shall remain in full force and effect.

The terms and conditions upon which the Bonds are to be issued, authenticated, delivered, secured and accepted by all Persons who from time to time shall be or become the Holders thereof, and the trusts and conditions upon which the Revenues, moneys, securities and funds held or set aside under this Indenture, subject to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in this Indenture, are to be held and disposed of, which said trusts and conditions the Trustee hereby accepts, and the respective parties hereto covenant and agree, are as follows:

ARTICLE I

DEFINITIONS AND GOVERNING LAW

Section 1.1 Definitions. The following terms shall, for all purposes of this Indenture, have the following meanings:

"Account" or "Accounts" means, as the case may be, each or all of the Accounts established in Section 5.2 or Section 4.15(a).

"Accountant's Certificate" means a certificate signed by an independent certified public accountant or a firm of independent certified public accountants, selected by the Issuer, who may be the accountant or firm of accountants who regularly audit the books of the Issuer and must be identified upon selection in writing to the Trustee.

"Acquisition Account" means the Acquisition Account in the Project Fund established pursuant to Section 5.2.

"Act" means the Joint Exercise of Powers Act constituting Chapter 5 of Division 7 of Title 1 (commencing with Section 6500), as amended or supplemented from time to time.

"Additional Termination Payment" has the meaning given to such term in the Commodity Purchase Agreement.

"Alternate Liquidity Facility" means a Liquidity Facility for a Series of Bonds delivered to the Trustee in substitution for a Liquidity Facility then in effect with respect to such Bonds.

"Amortized Value" means, with respect to any Series 2025 Bond to be redeemed when a Fixed Rate Period is in effect with respect to such Bond, the principal amount of such Bond multiplied by the price of such Bond expressed as a percentage, calculated by a major market maker in municipal securities, as the quotation agent, selected by the Issuer, based on the industry standard method of calculating bond prices (as such industry standard prevails on the date of delivery of the Bonds), with a delivery date equal to the date of redemption, a maturity date equal to the earlier of (a) the stated maturity date of such Bond or (b) the Fixed Rate Tender Date of such Bond and a yield equal to such Bond's original reoffering yield, which, in the case of the Series 2025 Bonds and certain dates, produces the amounts for all of the Series 2025 Bonds set forth in Schedule IV.

"Applicable Factor" means (a) with respect to the initial issuance of a Series of Bonds bearing interest at a SOFR Index Rate, the percentage or factor of the SOFR Index determined by the Underwriter and specified in the Index Rate Determination Certificate for such Series of Bonds, or (b) with respect to a Series of Bonds for which the Interest Rate Period is being converted to a SOFR Index Rate Period (including a change in such Interest Rate Period from one SOFR Index Rate Period to another SOFR Index Rate Period), the percentage or factor of the SOFR Index determined by the Remarketing Agent and specified in the applicable Index Rate Determination Certificate or Index Rate Continuation Notice, provided in each case that the Issuer delivers to the Trustee a Favorable Opinion of Bond Counsel addressing the selection of such percentage or factor. The Applicable Factor shall be determined by the Underwriter or the Remarketing Agent, as applicable, in accordance with Section 2.9(a) and included in the applicable Index Rate Determination

Certificate, and once determined shall remain constant for the duration of the applicable SOFR Index Rate Period.

"Applicable Spread" means, with respect to a Series of Bonds for which the Initial Interest Rate Period is an Index Rate Period, or for any Series of Bonds for which the Interest Rate Period is converted to an Index Rate Period, the margin or spread, which may be positive or negative, determined by the Underwriter or the Remarketing Agent, as applicable, in accordance with Section 2.9(a) on or prior to the Issue Date or Conversion Date for such Bonds, as applicable, and specified in the applicable Supplemental Indenture or Index Rate Determination Certificate or Index Rate Continuation Notice, as applicable, which shall be added to the applicable Index (or the product of the Applicable Factor and the applicable Index, as the case may be) to determine the Index Rate. Once so determined, the Applicable Spread shall remain constant for the duration of the applicable Index Rate Period.

"Applicable Tax-Exempt Municipal Bond Rate" means, for the Series 2025 Bonds of any maturity, the "Comparable AAA General Obligations" yield curve rate for the year of such maturity or Mandatory Purchase Date, as applicable, as published by Refinitiv Global Markets, Inc. one Business Day prior to the date that notice of redemption is required to be given pursuant to Section 4.4. If no such yield curve rate is established for the applicable year, the "Comparable AAA General Obligations" yield curve rate for the two published maturities most closely corresponding to the applicable year shall be determined, and the Applicable Tax-Exempt Municipal Bond Rate will be interpolated or extrapolated from those yield curve rates on a straight-line basis. This rate is made available daily by Refinitiv Global Markets, Inc. and is available to its subscribers through the internet address: www.tm3.com. In calculating the Applicable Tax-Exempt Municipal Bond Rate, should Refinitiv Global Markets, Inc. no longer publish the "Comparable AAA General Obligations" yield curve rate, then the Applicable Tax-Exempt Municipal Bond Rate shall equal the Consensus Scale yield curve rate for the applicable year. The Consensus Scale yield curve rate is made available daily by Municipal Market Analytics and is available to its subscribers through its internet address: www.mma-research.com. In the further event Municipal Market Analytics no longer publishes the Consensus Scale, the Applicable Tax-Exempt Municipal Bond Rate shall be determined by a major market maker in municipal securities, as the quotation agent, based upon the rate per annum equal to the annual yield to maturity, calculated using semi-annual compounding, of those tax-exempt general obligation bonds rated in the highest Rating Category by Moody's and S&P with a maturity date equal to the stated maturity date or Mandatory Purchase Date, as applicable, of such Bonds having characteristics (other than the ratings) most comparable to those of such Bonds in the judgment of the quotation agent. The quotation agent's determination of the Applicable Tax-Exempt Municipal Bond Rate shall be final and binding in the absence of manifest error on all parties and may be conclusively relied upon in good faith by the Trustee.

"Assignment Payment" means any payment received from the Commodity Supplier in connection with an assignment of the Commodity Purchase Agreement to a replacement commodity supplier.

"Assignment Payment Fund" means the Assignment Payment Fund established in Section 5.2.

"Authorized Denominations" means with respect to any (a) Fixed Rate Period or Index Rate Period, $5,000 and any integral multiple thereof, and (b) Commercial Paper Interest Rate Period,

Daily Interest Rate Period or Weekly Interest Rate Period, $100,000 and any integral multiple of $5,000 in excess of $100,000.

"Authorized Newspaper" means The Wall Street Journal or The Bond Buyer or any other newspaper or journal printed in the English language and customarily published on each Business Day devoted to financial news and selected by the Issuer, with prior written notice to and approval of the Trustee, whose decision shall be final.

"Authorized Officer" means the President of the Commission, the Vice-President of the Commission, the Executive Director, the Treasurer and Auditor of the Issuer, and any other person or persons designated by the Commission by resolution to act on behalf of the Issuer under this Indenture. The designation of such person or persons shall be evidenced by a Written Certificate of the Issuer delivered to a Responsible Officer of the Trustee containing the specimen signature of such person or persons and signed on behalf of the Issuer by its Executive Director or Treasurer. Such designation as an Authorized Officer shall remain in effect until a Responsible Officer of the Trustee receives actual written notice from the Issuer to the contrary, accompanied by a new certificate, whenever a person is to be added or deleted from the listing.

"Beneficial Owner" means, with respect to Bonds registered in the Book-Entry System, any Person who acquires a beneficial ownership interest in a Bond held by the Securities Depository, and the term "Beneficial Ownership" shall be interpreted accordingly.

"Bond" or "Bonds" means any of the Series 2025 Bonds and any Refunding Bonds authorized by Section 2.1.

"Bond Counsel" means Stradling Yocca Carlson & Rauth LLP or any other counsel of nationally recognized standing in matters pertaining to the tax-exempt status of interest on obligations issued by states and their political subdivisions and instrumentalities, duly admitted to the practice of law before the highest court of any state of the United States, and selected by the Issuer.

"Bond Payment Date" means each date on which (a) interest on the Bonds is due and payable or (b) principal of the Bonds is payable at maturity or pursuant to Sinking Fund Installments.

"Bond Purchase Fund" means the fund by that name established pursuant to Section 4.15(a), including the Remarketing Proceeds Account and the Issuer Purchase Account therein.

"Bond Registrar" means the Trustee and any other bank or trust company organized under the laws of any state of the United States of America or national banking association appointed by the Issuer to perform the duties of Bond Registrar under this Indenture.

"Bondholder" or "Holder of Bonds" or "Holder" or "Owner" means any Person who shall be the registered owner of any Bond or Bonds.

"Book-Entry System" means the system maintained by the Securities Depository and described in Section 3.9.

"Business Day" means any day other than (a) a Saturday or a Sunday, (b) a day on which commercial banks in New York, New York, or the cities in which are located the designated corporate trust offices of the Trustee, the Custodian or a Calculation Agent are authorized by law or executive order to close, (c) a day on which the New York Stock Exchange, Inc. is closed, (d) a day

on which the payment system of the Federal Reserve System is not operational, and (e) for purposes of determining the SIFMA Index Rate and the SOFR Index Rate, any day that SIFMA recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities. With respect to any action required to be taken by the Issuer hereunder, the term "Business Day" shall exclude any date on which the operational offices of the Issuer are authorized by law or executive order to close.

"Calculation Agent" means, with respect to any Series of Bonds bearing interest at an Index Rate, the Calculation Agent with respect to such Bonds appointed by the Issuer in writing to the Trustee pursuant to the applicable Calculation Agent Agreement and the Indenture.

"Calculation Agent Agreement" means, with respect to any Series of Bonds bearing interest at an Index Rate, such agreement as is entered into by the applicable Calculation Agent and the Issuer with respect to such Bonds providing for the determination of the applicable Index Rate on each Index Rate Reset Date in accordance with Section 2.9 and Section 2.10.

"Call Receivable" means the aggregate of any Elective Call Receivable and Swap Deficiency Call Receivable.

"Cede" means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds pursuant to Section 3.9.

"Commercial Paper Interest Rate Period" means, with respect to a Series of Bonds, each period comprised of CP Interest Terms for the Bonds of such Series, during which CP Interest Term Rates are in effect for such Bonds.

"Commission" means the Commission of the Issuer, or if said Commission shall be abolished, the board, body, commission or agency succeeding to the principal functions thereof or to whom the power and duties granted or imposed by this Indenture shall be given by law.

"Commodity" means Gas or Electricity, as applicable.

"Commodity Project" means the Issuer's purchase of Commodities pursuant to the Commodity Purchase Agreement and related contractual arrangements and agreements, and the purchase of any Commodities to replace Commodities not delivered as required pursuant to the Commodity Purchase Agreement.

"Commodity Purchase Agreement" means the Prepaid Commodity Sales Agreement, dated as of [January ___], 2025, between the Issuer and the Commodity Supplier, as originally executed or as it may from time to time be supplemented, modified or amended pursuant to the terms thereof and this Indenture, as applicable.

"Commodity Sale and Service Agreement" means the Commodity Purchase, Sale and Service Agreement, dated as of [January ___], 2025, between J. Aron and the Commodity Supplier.

"Commodity Remarketing Reserve Fund" means the Commodity Remarketing Reserve Fund established in Section 5.12.

"Commodity Supplier" means Aron Energy Prepay 48 LLC, a Delaware limited liability company.

"Commodity Supplier Commodity Swap" means the ISDA Master Agreement, the Schedule, the Credit Support Annex and the Confirmation between the Commodity Supplier and the Commodity Swap Counterparty, or any replacement agreement entered into consistent with the terms of the Commodity Purchase Agreement, pursuant to which the Commodity Swap Counterparty will pay to the Commodity Supplier an index based floating price and the Commodity Supplier will pay to the Commodity Swap Counterparty, a fixed price in relation to the daily quantities of natural gas to be delivered under the Commodity Purchase Agreement.

"Commodity Supplier Custodial Agreement" means the Custodial Agreement dated as of the Initial Issue Date, among the Commodity Swap Counterparty, the Commodity Supplier, the Trustee and the Custodian.

"Commodity Supplier Documents" means (i) the Commodity Purchase Agreement, (ii) the Commodity Purchase, Sale and Service Agreement (as defined in the Commodity Purchase Agreement) and the related guaranty of The Goldman Sachs Group, Inc., (iii) the Funding Agreement, (iv) the SPE Master Custodial Agreement (as defined in the Commodity Purchase Agreement), (v) the Commodity Supplier LLCA, and (vi) the Commodity Supplier Commodity Swap.

"Commodity Supplier LLCA" means the Amended and Restated Limited Liability Company Agreement of the Commodity Supplier.

"Commodity Supply Contract" means (a) the Commodity Supply Contract, dated as of [January __], 2025, between the Issuer and TID, as amended from time to time in accordance with the terms thereof and this Indenture, and (b) any other contract for the sale by the Issuer of Commodities from or attributable to the Commodity Project entered into by a Person that becomes a Project Participant in accordance with the assignment and novation requirements set forth in Section 7.10(d)(iv), in each case as originally executed or as it may from time to time be supplemented, modified or amended pursuant to the terms thereof and this Indenture, as applicable.

"Commodity Swap Counterparty" means, with respect to the Issuer Commodity Swap, BP Energy Company, and its successors and assigns, including any counterparty to a replacement Issuer Commodity Swap that meets the requirements of Section 2.12(b).

"Commodity Swap Payments" means, as of each scheduled payment date specified in the Issuer Commodity Swap, the amounts, if any, payable to the Commodity Swap Counterparty by the Issuer (including any amounts paid by the Custodian pursuant to Section 3(d) of the Issuer Custodial Agreement); provided that, upon an early termination of the Issuer Commodity Swap, Commodity Swap Payments shall not include any amounts other than Unpaid Amounts due to the Commodity Swap Counterparty.

"Commodity Swap Receipts" means, as of each scheduled payment date specified in the Issuer Commodity Swap, the amount, if any, payable to the Issuer by the Commodity Swap Counterparty (including any amounts paid to the Trustee pursuant to Section 3(d) of the Commodity Supplier Custodial Agreement). The term "Commodity Swap Receipts" does not include, and shall not be construed to include, any Seller Swap MTM Payment.

"Commodity Swap Replacement Event" has the meaning set forth in Section 2.12(c)(ii).

"Commodity Swap Reserve Account" means the Commodity Swap Reserve Account in the Project Fund established in Section 5.2.

"Continuing Disclosure Undertaking" means the Continuing Disclosure Undertaking entered into by the Issuer in connection with a Series of Bonds, as the same may be amended from time to time, with a Written Instrument of the Issuer delivered to the Trustee.

"Conversion" means (a) a conversion of a Series of Bonds from one Interest Rate Period to another Interest Rate Period, and (b) with respect to a Series of Bonds bearing interest at an Index Rate, the establishment of a new Index, a new Index Rate and/or a new Index Rate Period.

"Conversion Date" means the effective date of a Conversion of a Series of Bonds.

"Cost of Acquisition" means all costs of planning, financing, refinancing, acquiring, transporting, storing and implementing the Commodity Project, including:

(a) the amount of the prepayment required to be made by the Issuer under the Commodity Purchase Agreement;

(b) the amount for deposit into the Debt Service Account for capitalized interest on the Bonds, with such interest being calculated in accordance with the definition of "Debt Service";

(c) the amounts for deposit into the Debt Service Reserve Account and the Commodity Swap Reserve Account to meet the Debt Service Reserve Requirement and the Minimum Amount, respectively;

(d) all other costs incurred in connection with and properly chargeable to, the acquisition or implementation of the Commodity Project;

(e) the costs and expenses incurred in the issuance and sale of the Bonds, including, without limitation, legal, financial advisory, accounting, engineering, consulting, financing, technical, fiscal agent and underwriting costs, fees and expenses, bond discount, rating agency fees, and all other costs and expenses incurred in connection with the authorization, sale and issuance of the Bonds and preparation of this Indenture; and

(f) with respect to any Series of Refunding Bonds, the amounts necessary to purchase, redeem and discharge the Bonds being refunded, including the payment of the Purchase Price or the Redemption Price of such Bonds, any necessary deposits to the Debt Service Account, the Debt Service Reserve Account and the Commodity Swap Reserve Account, and all other costs and expenses incurred in connection with such Series of Refunding Bonds, including the costs and expenses described in (d) and (e) above.

"CP Interest Term" means, with respect to a Commercial Paper Interest Rate Period for a Series of Bonds, each period established in accordance with Section 2.8 during which a CP Interest Term Rate is in effect for the Bonds of such Series.

"CP Interest Term Rate" means, with respect to a Commercial Paper Interest Rate Period for a Series of Bonds, an interest rate established periodically for each CP Interest Term in accordance with Section 2.8.

"Custodial Agreements" means, collectively, the Commodity Supplier Custodial Agreement and the Issuer Custodial Agreement.

"Custodian" means U.S. Bank Trust Company, National Association, as custodian under each of the Custodial Agreements and its successors and assigns.

"Daily Interest Rate" means, with respect to a Series of Bonds, the final daily interest rate for such Bonds determined by the Remarketing Agent by 11:00 a.m. New York City time pursuant to Section 2.5.

"Daily Interest Rate Period" means, with respect to a Series of Bonds, each period during which a Daily Interest Rate is in effect for such Bonds.

"Debt Service" means with respect to any Outstanding Bonds, for any particular period of time, an amount equal to the sum of:

(a) all interest payable during such period on such Bonds, but excluding any interest that is to be paid from Bond proceeds on deposit in the Debt Service Account, plus

(b) the Principal Installments payable during such period on such Bonds, calculated on the assumption that, on the day of calculation, such Bonds cease to be Outstanding by reason of, but only by reason of, payment either upon maturity or application of any Sinking Fund Installments required by this Indenture;

provided that (i) the interest on any Bonds with a related Interest Rate Swap shall be calculated on the basis of the fixed interest rate payable by the Issuer under the Interest Rate Swap, and (ii) principal and interest due on the first day of a Fiscal Year shall be deemed to have been payable and paid on the last day of the immediately preceding Fiscal Year.

"Debt Service Account" means the Debt Service Account in the Debt Service Fund established in Section 5.2.

"Debt Service Fund" means the Debt Service Fund established in Section 5.2.

"Debt Service Reserve Account" means the Debt Service Reserve Account in the Debt Service Fund established in Section 5.2.

"Debt Service Reserve Requirement" means $_____.

"Defaulted Interest" has the meaning given to such term in Section 3.8.

"Defeasance Securities" means (a) Government Obligations and (b) to the extent that such deposits or certificates of deposit are Qualified Investments, deposits in interest-bearing time deposits or certificates of deposit which shall not be subject to redemption or repayment prior to their maturity or due date other than at the option of the depositor or holder thereof or as to which an irrevocable notice of redemption or repayment, or irrevocable instructions have been given to call for redemption or repayment, of such time deposits or certificates of deposit on a specified redemption or repayment date has been given and such time deposits or certificates of deposit are not otherwise subject to redemption or repayment prior to such specified date other than at the option of the depositor or

holder thereof, and which are fully secured by Government Obligations to the extent not insured by the Federal Deposit Insurance Corporation.

"Depository" means any bank, trust company, national banking association, savings and loan association, savings bank or other banking association selected by the Issuer as a depository of moneys and securities held under the provisions of this Indenture, and may include the Trustee.

"Dissemination Agent" means the dissemination agent, if any, appointed by the Issuer pursuant to the Continuing Disclosure Undertaking, and any successor Dissemination Agent appointed by the Issuer. The Issuer shall provide Written Notice to the Trustee of the identity of each Dissemination Agent.

"DTC" means The Depository Trust Company, New York, New York, and its successors and assigns.

"Early Termination Payment Date" has the meaning given to such term in Section 1.1 of the Commodity Purchase Agreement.

"Elective Call Option Notice" has the meaning given to such term in the Receivables Purchase Exhibit.

"Elective Call Receivable" has the meaning given to such term in the Receivables Purchase Exhibit.

"Elective Call Receivables Offer" has the meaning given to such term in the Receivables Purchase Exhibit.

"Electricity" has the meaning given to such term in the Commodity Supply Contract.

"Electronic Means" means the following communication methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by a Responsible Officer of the Trustee as available for use in connection with its services hereunder.

"Electronic Signature" means a manually executed original signature that is then transmitted by Electronic Means.

"Electronically Signed" or "Electronically Signed Document" means a document containing, or to which there is affixed, an Electronic Signature.

"Eligible Bonds" means any Bonds other than Bonds which a Responsible Officer of the Trustee actually knows to be owned by, for the account of, or on behalf of the Issuer or the Project Participant.

"EMMA" means the Electronic Municipal Market Access system, the website currently maintained by the Municipal Securities Rulemaking Board and any successor municipal securities disclosure website approved by the Securities and Exchange Commission.

"Event of Default" has the meaning given to such term in Section 8.1.

"Extraordinary Expenses" means extraordinary and nonrecurring expenses. Any amounts, other than Unpaid Amounts, payable by the Issuer upon an early termination of the Issuer Commodity Swap shall constitute an Extraordinary Expense.

"Failed Remarketing" means the failure (i) of the Trustee to receive the Purchase Price of any Bond required to be purchased on a Mandatory Purchase Date by 12:00 noon, New York City time, on the fifth Business Day preceding such Mandatory Purchase Date or (ii) to purchase or redeem such Bond in whole by such Mandatory Purchase Date (including from any funds on deposit in the Assignment Payment Fund and required to be used for such redemption).

"Favorable Opinion of Bond Counsel" means an Opinion of Bond Counsel to the effect that an action proposed to be taken is not prohibited by this Indenture and will not adversely affect the tax-exempt status of interest on applicable Bonds.

"Fiduciary" or "Fiduciaries" means the Trustee, the Paying Agents, the Bond Registrar, the Custodian, the Calculation Agent or any or all of them, as may be appropriate.

"Final Fixed Rate Conversion Date" means, with respect to a Series of Bonds, the date on which such Bonds begin to bear interest for a Fixed Rate Period which extends to the Final Maturity Date for such Series of Bonds.

"Final Maturity Date" means (a) with respect to the Series 2025 Bonds, _____, 20__, and (b) with respect to any other Series of Bonds, the final Maturity Date set forth in the related Supplemental Indenture.

"Fiscal Year" means (a) the twelve-month period beginning on January 1 of each year and ending on and including the next December 31, or (b) such other twelve-month period established by the Issuer from time to time, upon Written Notice to the Trustee, as its fiscal year.

"Fitch" means Fitch Ratings, Inc., its successors and assigns, and, if such corporation shall no longer perform the functions of a securities rating agency, "Fitch" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer, in a Written Instrument of the Issuer delivered to the Trustee.

"Fixed Rate" means, with respect to a Series of Bonds, a fixed interest rate for each maturity of such Bonds established in accordance with Section 2.7.

"Fixed Rate Bonds" means the Series 2025 Bonds and any other series of Bonds bearing interest at a Fixed Rate.

"Fixed Rate Conversion Date" means, with respect to a Series of Bonds, the date on which such Bonds begin to bear interest at a Fixed Rate pursuant to the provisions of Section 2.7, which term shall include the Final Fixed Rate Conversion Date with respect to such Bonds.

"Fixed Rate Period" means, with respect to a Series of Bonds, each period during which a Fixed Rate is in effect for such Bonds.

"Fixed Rate Tender Date" means (a) with respect to the initial Fixed Rate Period for the Series 2025 Bonds maturing on the Final Maturity Date, the Series 2025 Mandatory Purchase Date, and (b) with respect to any other Fixed Rate Period for a Series of Bonds, the date so specified in the

related Supplemental Indenture or notice of Conversion to or continuation of such Fixed Rate Period provided by the Issuer pursuant to Section 2.7(b), as applicable, which date shall be a Mandatory Purchase Date pursuant to Section 4.13 and shall not be later than the Final Maturity Date. The Fixed Rate Tender Date shall always be a Business Day, unless such date is the Final Maturity Date. If a date (other than the Final Maturity Date) that is not a Business Day is specified as a Fixed Rate Tender Date, then the Fixed Rate Tender Date shall be the Business Day immediately following such specified date.

"Fund" or "Funds" means, as the case may be, each or all of the Funds established in Section 5.2 and Section 4.15.

"Funding Agreement" has the meaning given to such term in the Commodity Purchase Agreement.

"Funding Recipient" has the meaning given to such term in the Commodity Purchase Agreement.

"Gas" has the meaning given to such term in the Commodity Supply Contract.

"General Fund" means the General Fund established in Section 5.2.

"Government Obligations" means:

(a) Direct obligations of (including obligations issued or held in book-entry form on the books of) the Department of the Treasury of the United States of America, obligations unconditionally guaranteed as to principal and interest by the United States of America, and evidences of ownership interests in such direct or unconditionally guaranteed obligations;

(b) Any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which: (i) are not callable at the option of the obligor prior to maturity or as to which irrevocable notice has been given by the obligor to call such bonds or obligations on the date specified in the notice; (ii) are rated in the two highest Rating Categories of S&P and Moody's; and (iii) are fully secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or obligations described in clause (a) above, which fund may be applied only to the payment of interest when due, principal of and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable notice, as appropriate; or

(c) Any other bonds, notes or obligations of the United States of America or any agency or instrumentality thereof which, if deposited with the Trustee for the purpose described in Section 12.1(c), will result in a rating on the Bonds which are deemed to have been paid pursuant to Section 12.1(c) that is in the same Rating Category of the obligations listed in subsection (a) above.

The Trustee shall have no responsibility whatsoever for monitoring ratings or determining whether any bond, note or other obligation is or continues to be a Government Obligation.

"GSG Guaranty" has the meaning set forth in the Commodity Purchase, Sale and Service Agreement.

"Increased Interest Rate" means (a) during the Initial Interest Rate Period with respect to each maturity of the Series 2025 Bonds, 8.00% per annum, and (b) during any subsequent Interest Rate Period, the rate (if any) set forth in a Supplemental Indenture or Written Direction of the Issuer to the Trustee with respect to such Interest Rate Period.

"Increased Interest Rate Period" means the period from and including the date on which a Ledger Event occurs to but not including the earliest of (a) the date on which a Termination Payment Event occurs, (b) the Series 2025 Mandatory Purchase Date or any prior redemption date and (c) the Interest Payment Date immediately succeeding the last date on which the Commodity Supplier paid the amounts required by Section 17.2 of the Commodity Purchase Agreement.

"Indenture" means this Trust Indenture as from time to time amended or supplemented by Supplemental Indentures in accordance with the terms hereof.

"Index" means the SIFMA Index or the SOFR Index, as applicable.

"Index Rate" means a SIFMA Index Rate or a SOFR Index Rate, as applicable.

"Index Rate Continuation Notice" means a written notice delivered by the Issuer pursuant to Section 2.9(c)(i) in the form of Exhibit C hereto.

"Index Rate Determination Certificate" means a written notice delivered by the Issuer pursuant to Section 2.9(b)(i) in the form of Exhibit B hereto.

"Index Rate Period" means, with respect to a Series of Bonds, an Interest Rate Period during which the Bonds of such Series bear interest at an Index Rate.

"Index Rate Reset Date" means, with respect to a Series of Bonds bearing interest at an Index Rate, each date on which the applicable Index Rate is determined by the Calculation Agent based on the change in the applicable Index as of such date, which shall be the date or dates so specified in the applicable Index Rate Determination Certificate or Index Rate Continuation Notice with respect to such Index Rate Period (including, by way of example and not limitation, each Business Day, Thursday of each week, the first Business Day of each calendar month, the first Business Day of a calendar quarter or each SOFR Effective Date).

"Index Rate Tender Date" means, with respect to any Index Rate Period for a Series of Bonds, the date so specified in the applicable Index Rate Determination Certificate or Index Rate Continuation Notice with respect to such Index Rate, which date shall be a Mandatory Purchase Date pursuant to Section 4.13 and shall not be later than the Final Maturity Date. The Index Rate Tender Date shall always be a Business Day, unless such date is the Final Maturity Date. If a date (other than the Final Maturity Date) that is not a Business Day is specified as an Index Rate Tender Date, then the Index Rate Tender Date shall be the Business Day immediately following such specified date.

"Initial Interest Rate Period" means, with respect to the Series 2025 Bonds, the period from the Initial Issue Date to and including _____, 20___; provided that in the event that the Series 2025 Bonds are redeemed (or purchased in lieu of redemption) pursuant to Section 4.1 and Section 4.3, the Initial Interest Rate Period shall end on and as of the day of such redemption or purchase.

"Initial Issue Date" means the date of initial issuance and delivery of the Series 2025 Bonds.

"Interest Payment Date" means, except as otherwise provided by the Supplemental Indenture for such Bond, with respect to any Bond (a) during any Daily Interest Rate Period or Weekly Interest Rate Period for such Bond, the first Business Day of each Month, (b) during any Index Rate Period for such Bond, the first Business Day of each Month, except as otherwise provided by the Supplemental Indenture for such Bond, (c) (i) during the initial Fixed Rate Period for such Bond, each [February 1] and [August 1] and (ii) during any subsequent Fixed Rate Period, each [February 1] and [August 1] or such other dates as may be determined by the Issuer and set forth in a Written Notice delivered to the Trustee pursuant to Section 2.7, provided that the first Interest Payment Date for any Fixed Rate Period shall be at least 90 days from the first day of such period, (d) during any Commercial Paper Interest Rate Period for such Bond, the day next succeeding the last day of each CP Interest Term, (e) any redemption date for such Bond, (f) any Mandatory Purchase Date for such Bond, and (g) the Maturity Date of such Bond.

"Interest Rate Period" means a Daily Interest Rate Period, a Weekly Interest Rate Period, a Commercial Paper Interest Rate Period, a Fixed Rate Period or an Index Rate Period. Notwithstanding anything contained herein to the contrary, all Bonds of a Series shall at all times bear interest for the same Interest Rate Period.

"Interest Rate Swap" means (a) the ISDA Master Agreement, Schedule and each Confirmation thereunder between the Issuer and the Interest Rate Swap Counterparty, if any, pursuant to which the Issuer agrees to make payments to the Interest Rate Swap Counterparty at a fixed rate of interest and the Interest Rate Swap Counterparty agrees to make payments to the Issuer at a floating rate equal to the rate of interest borne by a related Series of Bonds, in each case with a notional amount equal to the Outstanding principal amount of such Series of Bonds, and (b) any replacement interest rate swap agreement permitted by Section 2.13(b); provided that, as long as no Interest Rate Swap has been entered into by the Issuer, all references herein to the Interest Rate Swap, Interest Rate Swap Counterparty, Interest Rate Swap Receipts and Interest Rate Swap Payments (including, without limitation, Section 7.15) shall be disregarded. During the Initial Interest Rate Period, no Interest Rate Swap will be entered into by the Issuer.

"Interest Rate Swap Counterparty" means the counterparty to any Interest Rate Swap; provided that (a) the Interest Rate Swap Counterparty (or its credit support provider under the Interest Rate Swap) must be rated not lower than (i) the Minimum Rating, or (ii) at least as highly as the rating then assigned by each Rating Agency to the Bonds; and (b) for a replacement Interest Rate Swap, any alternative Interest Rate Swap Counterparty must satisfy the requirements of Section 2.13(b).

"Interest Rate Swap Payments" means, as of each scheduled payment date specified in the Interest Rate Swap, the amount, if any, payable to the Interest Rate Swap Counterparty by the Issuer.

"Interest Rate Swap Receipts" means, as of each scheduled payment date specified in the Interest Rate Swap, the amount, if any, payable to the Issuer by the Interest Rate Swap Counterparty.

"Internal Revenue Code" means the Internal Revenue Code of 1986, as amended. References herein to sections of the Internal Revenue Code include the applicable U.S. Treasury Regulations promulgated thereunder.

"Investment Agreement Breakage Account" means the Investment Agreement Breakage Account established in Section 5.2.

"Investment Agreement Breakage Amount" means the amount payable to or receivable by the Issuer in respect of breakage costs due upon an early termination of any Specified Investment Agreement as a result of the occurrence of an Early Termination Payment Date under the Commodity Purchase Agreement. Any Investment Agreement Breakage Amount payable by the Issuer is not an item of Operating Expenses and shall be payable solely from any amounts on deposit in the Investment Agreement Breakage Account.

"Issue Date" means (a) with respect to the Series 2025 Bonds, the Initial Issue Date, and (b) with respect to any other Series of Bonds, the date of initial issuance and delivery of such Series.

"Issuer" means Central Valley Energy Authority, a joint powers authority and public entity of the State of California.

"Issuer Commodity Swap" means the ISDA Master Agreement, the Schedule and the Confirmation between the Issuer and the Commodity Swap Counterparty, or any replacement agreement permitted by Section 2.12(b), pursuant to which the Issuer will pay to the Commodity Swap Counterparty an index-based floating price and the Commodity Swap Counterparty will pay to the Issuer a fixed price in relation to the daily quantities of natural gas to be delivered under the Commodity Purchase Agreement.

"Issuer Custodial Agreement" means the Custodial Agreement, dated as of the Initial Issue Date among the Issuer, the Trustee, the Custodian and the Commodity Swap Counterparty.

"Issuer Purchase Account" means the Account by that name in the Bond Purchase Fund.

"J. Aron" means J. Aron & Company LLC, a New York limited liability company.

"J. Aron Acceleration Option" means the exercise by J. Aron of its right under the Commodity Sale and Service Agreement to pay the Termination Payment to the Commodity Supplier following the occurrence of a Ledger Event, which shall be subject to the Commodity Supplier's prior consent thereto as provided in the Commodity Sale and Service Agreement.

"Ledger Event" has the meaning given to such term in Exhibit C to the Commodity Purchase Agreement.

"Ledger Event Payments" means the payments required to be made by the Commodity Supplier following the occurrence of a Ledger Event pursuant to Section 17.2 of the Commodity Purchase Agreement with respect to the additional amounts of interest due on the Bonds at the Increased Interest Rate, which payments shall be deposited directly into the Debt Service Account.

"Liquidity Facility" means, with respect to a Series of Bonds, a standby bond purchase agreement, letter of credit or similar facility providing liquidity support for such Series of Bonds and any Alternate Liquidity Facility provided in substitution of the foregoing.

"Liquidity Facility Provider" means, with respect to a Liquidity Facility for a Series of Bonds, the commercial bank or other financial institution providing the same and any other commercial bank or other financial institution issuing or providing (or having primary obligation for, or acting as agent for the financial institutions obligated under) an Alternate Liquidity Facility.

"Mandatory Purchase Date" means any date on which Bonds are required to be purchased pursuant to Section 4.12, Section 4.13 or Section 4.14, respectively.

"Maturity Date" means, with respect to a Series of Bonds, each date upon which principal of such Bonds is due, as set forth in (a) Section 2.2(b) with respect to the Series 2025 Bonds, and (b) the related Supplemental Indenture with respect to any other Series of Bonds.

"Maximum Lawful Rate" means the maximum interest rate permitted by applicable law.

"Maximum Rate" means the lesser of 12% per annum and the Maximum Lawful Rate.

"Minimum Amount" means the amount of $[_____.00] to be maintained on deposit in the Commodity Swap Reserve Account, subject to application as provided in Section 5.3(b).

"Minimum Daily Interest Rate" means, with respect to a Series of Bonds bearing interest at a Daily Rate, the minimum rate determined by the Remarketing Agent by 10:00 a.m. New York City time pursuant to Section 2.5.

"Minimum Rating" means the credit rating equal to at least "____" from Moody's.

"Month" means a calendar month.

"Moody's" means Moody's Investors Service, Inc., its successors and assigns, and, if such corporation shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer in a Written Instrument of the Issuer delivered to the Trustee.

"NY Federal Reserve's Website" means the website of the Federal Reserve Bank of New York currently at http://newyorkfed.org, or any successor website of the Federal Reserve Bank of New York.

"Operating Expenses" means, to the extent properly allocable to the Commodity Project, (a) the Issuer's expenses for operation of the Commodity Project, including all Rebate Payments; Commodity Swap Payments; costs, collateral deposits and other amounts (other than Commodity Swap Payments) necessary to maintain any Issuer Commodity Swap; and payments required under the Commodity Purchase Agreement (which may, under certain circumstances, include imbalance charges and other miscellaneous payments) or required to be incurred under or in connection with the performance of the Issuer's obligations under the Commodity Supply Contract; (b) any other current expenses or obligations required to be paid by the Issuer under the provisions of this Indenture (other than Debt Service on the Bonds) or by law or required to be incurred under or in connection with the performance of the Issuer's obligations under the Commodity Supply Contract; provided that Operating Expenses shall not include any amounts owed by the Issuer under the Commodity Supply Contract with respect to purchases of replacement commodities by the Project Participant; (c) fees payable by the Issuer with respect to any Remarketing Agreement; (d) the fees and expenses (including the fees and expenses of counsel) of the Fiduciaries; (e) reasonable accounting, legal and other professional fees and expenses incurred by the Issuer, including but not limited to those relating to the administration of the Trust Estate and compliance by the Issuer with its continuing disclosure obligations, if any, with respect to the Bonds; (f) the costs of any insurance premiums incurred by the Issuer, including, without limitation, directors and officers liability insurance; and (g) fees of rating

agencies necessary to maintain ratings on the Bonds. Litigation judgments and settlements and indemnification payments in connection with the payment of any litigation judgment or settlement and Extraordinary Expenses are not Operating Expenses.

"Operating Fund" means the Operating Fund established in Section 5.2.

"Opinion of Bond Counsel" means a written opinion of either Bond Counsel or Special Tax Counsel (or written opinions of both of them) addressed to the Issuer and delivered to the Trustee, upon which the Trustee is expressly permitted to rely.

"Opinion of Counsel" means an opinion signed by an attorney or firm of attorneys (who may be counsel to the Issuer) selected by the Issuer.

"Optional Purchase Date" means any date on which Bonds are to be purchased pursuant to Section 4.11.

"Outstanding" when used with reference to Bonds, means as of any date, Bonds theretofore or thereupon being authenticated and delivered under this Indenture except:

(a) Bonds cancelled (or portions thereof deemed to have been cancelled) by the Trustee at or prior to such date;

(b) Bonds (or portions of Bonds) for the payment or redemption of which moneys, equal to the principal amount or Redemption Price thereof, as the case may be, with interest to the date of maturity or redemption date, shall be held in trust under this Indenture and set aside for such payment or redemption (whether at or prior to the maturity or redemption date), provided that if such Bonds (or portions of Bonds) are to be redeemed, notice of such redemption shall have been given or provision satisfactory to the Trustee shall have been made for the giving of such notice as provided in Article IV;

(c) Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to Article III or Section 4.5 or Section 11.6;

(d) Bonds deemed to have been paid as provided in Section 12.1(b); and

(e) Bonds (or portions thereof) deemed to have been purchased pursuant to the provisions of any Supplemental Indenture in lieu of which other Bonds have been authenticated and delivered as provided in such Supplemental Indenture.

"Participants" means those broker-dealers, banks and other financial institutions from time to time for which DTC holds Bonds as Securities Depository.

"Paying Agent" means the Trustee, its successors and assigns, and any other bank or trust company organized under the laws of any state of the United States of America or any national banking association designated as paying agent for the Bonds, and its successor or successors hereafter appointed in the manner provided in this Indenture.

"Person" means any and all natural persons, firms, associations, corporations and public bodies.

"Pledged Funds" means (a) the Project Fund, (b) the Revenue Fund, (c) the Debt Service Fund, (d) the General Fund, (e) the Assignment Payment Fund, in each case including the Accounts in each of such Funds, and (f) the Commodity Swap Reserve Account, but subject to the prior pledge thereof in favor of the Commodity Swap Counterparty.

"Prevailing Market Conditions" means, without limitation, the following factors: existing short-term market rates for securities, the interest on which is excluded from gross income for federal income tax purposes; indexes of such short-term rates; the existing market supply and demand and the existing yield curves for short-term and long-term securities for obligations of credit quality comparable to the Bonds, the interest on which is excluded from gross income for federal income tax purposes; general economic conditions and financial conditions that may affect or be relevant to the Bonds; and such other facts, circumstances and conditions as the Remarketing Agent, in its sole discretion, shall determine to be relevant to the remarketing of the Bonds at the Purchase Price thereof.

"Principal Installment" means, as of any date of calculation, (a) the principal amount of Bonds due on a certain future date for which no Sinking Fund Installments have been established, or (b) the unsatisfied balance (determined as provided in Section 5.11(c)) of any Sinking Fund Installments due on a certain future date in a principal amount equal to said unsatisfied balance of such Sinking Fund Installments.

"Project Fund" means the Project Fund established in Section 5.2.

"Project Participant" means (a) the Person that is a purchaser under the Commodity Supply Contract and identified as the "Initial Project Participant" in Schedule I and (b) any other Person that enters into a Commodity Supply Contract with the Issuer in accordance with the assignment and novation requirements set forth in Section 7.10(d)(iv).

"Purchase Date" means an Optional Purchase Date or a Mandatory Purchase Date, as the case may be.

"Purchase Price" means (a) with respect to any Purchased Bond to be purchased on an Optional Purchase Date, an amount equal to the principal amount of such Bond Outstanding on such date plus accrued and unpaid interest thereon unless such Optional Purchase Date is an Interest Payment Date for such Bond, in which case interest on such Bond shall not be included in the Purchase Price of such Bond but shall be paid to the Owner of such Bond in accordance with the interest payment provisions thereof, (b) except as provided in clause (c) below, with respect to any Purchased Bond to be purchased on a Mandatory Purchase Date, an amount equal to the principal amount of such Bond Outstanding on such date, and (c) in the case of a purchase of a Bond bearing interest at a Fixed Rate pursuant to Section 4.14 with respect to which the new Interest Rate Period commences prior to the day originally established as the last day of the preceding Fixed Rate Period, the optional redemption price for such Bond set forth in Section 4.3(b) or an applicable Supplemental Indenture which would have been applicable to such Bond if the preceding Fixed Rate Period had continued to the day originally established as its last day. Accrued interest due on any Bonds to be purchased on a Mandatory Purchase Date shall be paid from amounts on deposit in the Debt Service Account of the Debt Service Fund on such date in accordance with Section 5.7.

"Purchased Bonds" means any Bonds required to be purchased on a Purchase Date.

"Put Receivable" has the meaning set forth in Section 1.1 of the Receivables Purchase Exhibit.

"Qualified Investments" means any of the following investments, if and to the extent that the same are rated (or whose financial obligations to the Issuer receive credit support from an entity rated) at least at (i) the Minimum Rating (except for (c) and (h) below) or (ii) such a rating that will allow the Bonds to be rated the same as the credit rating or financial strength rating assigned to the Funding Recipient, and are at the time of investment legal investments of the Issuer's funds:

(a) Direct obligations of the United States government or any of its agencies;

(b) Obligations guaranteed as to principal and interest by the United States government or any of its agencies;

(c) Certificates of deposit and other evidences of deposit at state and federally chartered banks, savings and loan institutions or savings banks, including the Trustee and its affiliates (each having the highest short-term rating by each Rating Agency then rating the Bonds) deposited and collateralized as required by law;

(d) Repurchase agreements entered into with the United States or its agencies or with any bank, broker-dealer or other such entity, including the Trustee and its affiliates, so long as the obligation of the obligated party is secured by a perfected pledge of obligations, that meet the conditions set forth in the preamble to this definition;

(e) Guaranteed investment contracts, forward delivery agreements or similar agreements providing for a specified rate of return over a specified time period; provided, however, that guaranteed investment contracts, forward delivery agreements or similar agreements shall meet the conditions set forth in the preamble to this definition if they do so at the time of investment;

(f) Direct general obligations of a state of the United States, or a political subdivision or instrumentality thereof, having general taxing powers;

(g) Obligations of any state of the United States or a political subdivision or instrumentality thereof, secured solely by revenues received by or on behalf of the state or political subdivision or instrumentality thereof irrevocably pledged to the payment of principal of and interest on such obligations;

(h) Money market funds registered under the federal Investment Company Act of 1940, whose shares are registered under the federal Securities Act of 1933, and having a rating in the highest Rating Category by each Rating Agency, including money market funds of the Trustee or its affiliates or funds for which the Trustee or its affiliates (i) provide investment or other management services and (ii) serve as investment manager, administrator, shareholder, servicing agent and/or custodian or subcustodian, notwithstanding that (A) the Trustee or its affiliate receives or collects fees from such funds for services rendered, and (B) services performed by the Trustee pursuant to this Indenture may at times duplicate those provided to such funds by the Trustee or its affiliate; or

(i) Any other investments permitted by applicable law for the investment of the funds of the Issuer;

provided that, the Trustee shall have no responsibility whatsoever for monitoring ratings or determining whether any investment made is or continues to be a Qualified Investment.

"Rating Agency" means Fitch, Moody's or S&P, or any other rating agency so designated in a Supplemental Indenture that, at the time, rates the Bonds.

"Rating Category" means one or more of the generic rating categories of a Rating Agency, without regard to any refinement or gradation of such rating category or categories by a numerical or other modifier, or otherwise.

"Rating Confirmation" means written evidence satisfactory to the Issuer, so designated in writing to the Trustee, that upon the effectiveness of any proposed action, all Outstanding Bonds will continue to be assigned at least the same or equivalent ratings (including the same or equivalent numerical or other modifiers within a Rating Category) by each Rating Agency then rating such Outstanding Bonds.

"Rebate Payments" means those portions of moneys or securities held in any Fund or Account that are required to be paid to the United States Treasury Department under the requirements of Section 148(f) of the Internal Revenue Code.

"Receivables Purchase Exhibit" or "Receivables Purchase Provisions" means the provisions set forth in Exhibit E to the Commodity Purchase Agreement.

"Redemption Account" means the Redemption Account in the Debt Service Fund established in Section 5.2.

"Redemption Price" means, with respect to any Bond, the amount payable upon redemption thereof pursuant to such Bond or this Indenture.

"Refunding Bonds" means a Series of Bonds authorized to be issued pursuant to Section 2.1(c) for the sole purposes of refunding or defeasing (in accordance with Article XII) in whole a Series of Bonds then Outstanding, and paying the Cost of Acquisition with respect to such Refunding Bonds.

"Regular Record Date" has the meaning given to such term in Section 3.8.

"Remarketing Agent" means, with respect to any Series of Bonds, the entity appointed as the remarketing agent for such Series pursuant to the related Remarketing Agreement and, if applicable, the related Supplemental Indenture.

"Remarketing Agreement" means, with respect to any Series of Bonds, the remarketing agreement, if any, entered into between the Issuer and the Remarketing Agent for such Series of Bonds.

"Remarketing Proceeds Account" means the Account by that name within the Bond Purchase Fund.

"Remediation Remarketing Purchase Price" has the meaning given to such term in the Commodity Remarketing Exhibit to the Commodity Purchase Agreement.

"Re-Pricing Agreement" means the Re-Pricing Agreement dated as of the Initial Issue Date between the Issuer and the Commodity Supplier, as the same may be amended in accordance with its terms.

"Responsible Officer" means, when used with respect to the Trustee, the Custodian or the Calculation Agent, as applicable, any managing director, president, vice president, assistant vice president, senior associate, associate or other officer of the Trustee, the Custodian or the Calculation Agent, respectively, within the corporate trust office specified in Section 12.10 (or any successor corporate trust office of the Trustee, the Custodian or the Calculation Agent, respectively) customarily performing functions similar to those performed by such individuals who at the time are such officers, respectively, or to whom any corporate trust matter is referred at the corporate trust office specified in Section 12.10 because of such person's knowledge of and familiarity with the particular subject of this Indenture and who in each case shall have direct responsibility for the administration of this Indenture.

"Revenue Fund" means the Revenue Fund established in Section 5.2.

"Revenues" means:

(a) all revenues, income, rents, user fees or charges, and receipts derived or to be derived by the Issuer from or attributable or relating to the ownership and operation of the Commodity Project, including all revenues attributable or relating to the Commodity Project or to the payment of the costs thereof received or to be received by the Issuer under the Commodity Supply Contract and the Commodity Purchase Agreement or otherwise payable to the Trustee for the account of the Issuer for the sale and/or transportation of natural gas or electricity or otherwise with respect to the Commodity Project;

(b) interest received or to be received on any moneys or securities (other than moneys or securities held in the Acquisition Account, moneys or securities held in the Redemption Account in the Debt Service Fund or that portion of moneys in the Operating Fund required for Rebate Payments) held pursuant to this Indenture and paid or required to be paid into the Revenue Fund; and

(c) any Commodity Swap Receipts received by the Trustee, on behalf of the Issuer.

provided that, the term "Revenues" shall not include: (s) any Termination Payment or, if applicable, Additional Termination Payment paid pursuant to the Commodity Purchase Agreement; (t) any amounts received from the Commodity Supplier that are required to be deposited into the Commodity Remarketing Reserve Fund pursuant to Section 5.12; (u) Ledger Event Payments received from the Commodity Supplier pursuant to Section 17.2 of the Commodity Purchase Agreement; (v) any Assignment Payment received from the Commodity Supplier; (w) Interest Rate Swap Receipts; (x) payments received from the Commodity Supplier pursuant to the Receivables Purchase Exhibit; (y) any Investment Agreement Breakage Amount payable to the Issuer; and (z) any Seller Swap MTM Payment payable to the Issuer.

"S&P" means S&P Global Ratings, a division of S&P Global Inc., its successors and assigns, and, if such entity shall no longer perform the functions of a securities rating agency, "S&P" shall be

deemed to refer to any other nationally recognized securities rating agency designated by the Issuer, in a Written Instrument of the Issuer delivered to the Trustee.

"Scheduled Debt Service Deposits" means the required monthly deposits to the Debt Service Account in the Debt Service Fund and the required cumulative deposits to the Debt Service Account in the Debt Service Fund in respect of the Debt Service coming due on the Bonds on each Bond Payment Date pursuant to Section 5.5(a)(ii) and as set forth on Schedule II hereto. Scheduled Debt Service Deposits shall not be increased in the event that the Series 2025 Bonds bear interest at the Increased Interest Rate. Schedule II shall be revised (a) by Written Notice of the Issuer delivered at the time of its designation of each subsequent Interest Rate Period, and (b) by each Supplemental Indenture authorizing the issuance of Refunding Bonds.

"Securities Depository" means DTC, or its nominee, and its successors and assigns.

"Seller Swap MTM Payment" has the meaning assigned to such term in Section 17.6 of the Commodity Purchase Agreement.

"Series" mean the Series 2025 Bonds and any other Bonds designated as a Series authorized to be issued hereunder pursuant to Section 2.1.

"Series 2025 Bonds" means the Commodity Supply Revenue Bonds, Series 2025, which shall bear interest at a Fixed Rate during the Initial Interest Rate Period and authorized to be issued under Section 2.1(a).

"Series 2025 Mandatory Purchase Date" means _____, 20__, which is the day following the last day of the Initial Interest Rate Period for the Series 2025 Bonds.

"SIFMA Index" means the SIFMA Municipal Swap Index, which, for purposes of an Index Rate Reset Date for a Series of Bonds bearing interest at a SIFMA Index Rate, will be the level of such index which is issued weekly and which is compiled from the weekly interest rate resets of tax exempt variable rate issues included in a database maintained by Municipal Market Analytics which meet specific criteria established from time to time by SIFMA and issued on Wednesday of each week, or if any Wednesday is not a Business Day, the immediately succeeding Business Day. If the SIFMA Index is not available as of any Index Rate Reset Date, the rate for such Index Rate Reset Date will be determined using a comparable substitute or replacement index for such Index Rate Reset Date selected and designated by the Issuer in compliance with Section 2.9(b)(v).

"SIFMA Index Rate" means a per annum rate of interest equal to the sum of (a) the SIFMA Index then in effect, plus (b) the Applicable Spread.

"SIFMA Index Rate Period" means, with respect to a Series of Bonds, an Index Rate Period during which such Bonds bear interest at the SIFMA Index Rate.

"Sinking Fund Installment" means, for the Series 2025 Bonds, the amount so designated in Section 4.2, and with respect to any other Series of Bonds, each date, if any, on which such Bonds are subject to mandatory sinking fund redemption as set forth in the applicable Supplemental Indenture.

"SOFR Accrual Period" means (a) the number of actual days from and including the Initial Issue Date to but not including the first SOFR Interest Calculation Date and (b) thereafter, the

number of actual days from and including the preceding SOFR Interest Calculation Date to but not including the next succeeding SOFR Interest Calculation Date, regardless of the number of days in any Month.

"SOFR Effective Date" shall mean each Business Day. Each SOFR Effective Date is an Index Rate Reset Date for all purposes of the Indenture unless the context clearly requires otherwise.

"SOFR Effective Period" means the number of actual days from a SOFR Effective Date to the next SOFR Effective Date.

"SOFR Index" means the Secured Overnight Financing Rate reported on the NY Federal Reserve's Website, or reported by any successor to the Federal Reserve Bank of New York as administrator of such Secured Overnight Financing Rate, as of 3:00 p.m. on each SOFR Publish Date representing the SOFR Index as of the SOFR Lookback Date, which will be used to calculate interest for the SOFR Effective Period beginning on the SOFR Effective Date. If the SOFR Index is not available as of any Index Rate Reset Date, the interest rate for such Index Rate Reset Date will be determined using a comparable substitute or replacement index for such Index Rate Reset Date designated by the Issuer in writing (with notice to, and which is available to, the Calculation Agent) in compliance with Section 2.9(b)(vii).

"SOFR Index Rate" means a daily variable interest rate equal to the sum of (a) the product of the SOFR Index and the Applicable Factor, plus (b) the Applicable Spread on each day of a SOFR Effective Period, not to exceed the Maximum Rate.

"SOFR Index Rate Period" means, with respect to a Series of Bonds, an Index Rate Period during which such Bonds bear interest at the SOFR Index Rate.

"SOFR Interest Calculation Date" means the first Business Day of each month.

"SOFR Lookback Date" means the third Business Day immediately preceding each SOFR Effective Date.

"SOFR Publish Date" means the second Business Day immediately preceding each SOFR Effective Date.

"SPE Custodian" has the meaning given to such term in the SPE Master Custodial Agreement.

"SPE Master Custodial Agreement" has the meaning given to such term in the Commodity Purchase Agreement.

"Special Record Date" has the meaning given to such term in Section 3.8.

"Special Tax Counsel" means counsel of nationally recognized standing in matters pertaining to the tax-exempt status of interest on obligations issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any state of the United States, and selected by the Issuer. Bond Counsel may serve as Special Tax Counsel.

"Specified Investment Agreement" has the meaning given to such term in Section 1.1 of the Commodity Purchase Agreement.

"State" means the State of California.

"Supplemental Indenture" means any indenture supplemental to or amendatory of this Indenture executed and delivered by the Issuer and the Trustee in accordance with Article X.

"Swap Deficiency Call Option Notice" has the meaning given to such term in the Receivables Purchase Exhibit.

"Swap Deficiency Call Receivable" has the meaning given to such term in the Receivables Purchase Exhibit.

"Swap Deficiency Call Receivables Offer" has the meaning given to such term in the Receivables Purchase Exhibit.

"Swap Payment Deficiency" means, as of any date, (a) the amount of the next Commodity Swap Payment expected to become due, minus (b) the amount of any funds deposited in the Operating Fund and not otherwise allocable to Rebate Payments pursuant to Section 5.6(a)(i), minus (c) the Commodity Swap Reserve Account balance; provided, however, that if such difference is a negative number, then the Swap Payment Deficiency shall be zero.

"Swap Termination Account" means the Swap Termination Account established in Section 5.2.

"Tax Agreement" means the Tax Certificate and Agreement of the Issuer with respect to the Bonds dated as of the Initial Issue Date.

"Termination Payment" has the meaning given to such term in the Commodity Purchase Agreement.

"Termination Payment Event" has the meaning given to such term in the Commodity Purchase Agreement.

"TID" means the Turlock Irrigation District.

"Trustee" means U.S. Bank Trust Company, National Association and its successor or successors and any other corporation which may at any time be substituted in its place pursuant to this Indenture.

"Trust Estate" means (a) the proceeds of the sale of the Bonds, (b) all right, title and interest of the Issuer in, to and under the Commodity Supply Contract, (c) the Revenues, (d) any Termination Payment or the right to receive such Termination Payment, (e) all right, title and interest of the Issuer in, to and under the Receivables Purchase Exhibit, including payments received from the Commodity Supplier pursuant thereto, (f) all right, title and interest of the Issuer in, to and under each Interest Rate Swap and the Interest Rate Swap Receipts, and (g) the Pledged Funds (but excluding Rebate Payments held in any Fund or Account), including the investment income, if any, thereof subject only to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein.

"Undelivered Bond" means any Bond which constitutes an Undelivered Bond under the provisions of Section 4.16.

"Underwriter" means (a) with respect to the Series 2025 Bonds, Goldman Sachs & Co. LLC and (b) with respect to any other Series of Bonds, the municipal securities broker-dealer engaged by the Issuer to underwrite such Series of Bonds.

"Unpaid Amounts" has the meaning assigned to such term in the Issuer Commodity Swap or the Commodity Supplier Commodity Swap as the context requires.

"Variable Rate Bonds" means Bonds bearing interest at a Daily Interest Rate, a Weekly Interest Rate, CP Interest Term Rates or an Index Rate.

"Weekly Interest Rate" means, with respect to a Series of Bonds, a variable interest rate established for such Bonds in accordance with Section 2.6.

"Weekly Interest Rate Period" means, with respect to a Series of Bonds, each period during which a Weekly Interest Rate is in effect for such Bonds.

"Written Certificate," "Written Direction," "Written Instrument," "Written Notice," "Written Request" and "Written Statement" of the Issuer means in each case an instrument in writing signed on behalf of the Issuer by an Authorized Officer thereof. Any such instrument and any supporting opinions or certificates may, but need not, be combined in a single instrument with any other instrument, opinion or certificate, and the two or more so combined shall be read and construed so as to form a single instrument. Any such instrument may be based, insofar as it relates to legal, accounting or engineering matters, upon the opinion or certificate of counsel, consultants, accountants or engineers, unless the Authorized Officer signing such Written Certificate, Direction, Instrument, Notice, Request or Statement knows, or in the exercise of reasonable care should know, that the opinion or certificate with respect to the matters upon which such Written Certificate, Direction, Instrument, Notice, Request or Statement may be based, as aforesaid, is erroneous. The same Authorized Officer, or the same counsel, consultant, accountant or engineer, as the case may be, need not certify to all of the matters required to be certified under any provision of this Indenture, but different Authorized Officers, counsel, consultants, accountants or engineers may certify to different facts, respectively. Every Written Certificate, Direction, Instrument, Notice, Request or Statement of the Issuer, and every certificate or opinion of counsel, consultants, accountants or engineers provided for herein shall include:

(a) a statement that the person making such certificate, direction, instrument, notice, request, statement or opinion has read the pertinent provisions of this Indenture to which such certificate, direction, instrument, notice, request, statement or opinion relates;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the certificate, direction, instrument, notice, request, statement or opinion is based;

(c) a statement that, in the opinion of such person, he or she has made such examination or investigation as is necessary to enable him or her to express an informed opinion with respect to the subject matter referred to in the instrument to which his or her signature is affixed; and

(d) with respect to any statement relating to compliance with any provision hereof, a statement whether or not, in the opinion of such person, such provision has been complied with.

Section 1.2 Captions. The captions or headings in this Indenture are for convenience only and in no way define, limit or describe the scope and intent of any provisions of this Indenture.

Section 1.3 Rules of Construction. Except where the context otherwise requires, words of any gender shall include correlative words of the other genders; words importing the singular number shall include the plural number and vice versa; and words importing persons shall include firms, associations, trusts, corporations or governments or agencies or political subdivisions thereof. The term "include" and its derivations are not limiting.

References herein to contracts and agreements include all amendments or supplements thereto made in accordance with the terms thereof. References herein to Articles, Sections, Exhibits and Schedules are references to the Articles, Sections, Exhibits and Schedules of and to this Indenture.

Section 1.4 Governing Law. This Indenture shall be governed by and construed in accordance with the laws of the State of California.

Section 1.5 Consents. Whenever the consent of the Owners, the Issuer, the Commodity Supplier, the Remarketing Agent, any Interest Rate Swap Counterparty or a Commodity Swap Counterparty is required under the terms of this Indenture, such consent shall be evidenced by a written instrument providing for such consent and delivered to the Trustee.

ARTICLE II

AUTHORIZATION AND ISSUANCE OF BONDS

Section 2.1 Authorization of Bonds and Refunding Bonds; Application of Proceeds.

(a) For the purpose of financing the Cost of Acquisition of the Commodity Project, the following Series of Bonds, which shall be entitled to the benefit, protection and security of this Indenture is hereby authorized to be issued: $[PAR AMOUNT] Commodity Supply Revenue Bonds, Series 2025, which shall bear interest during the Initial Interest Rate Period at a Fixed Rate;

(b) The proceeds of the Series 2025 Bonds shall be deposited with the Trustee and disbursed, transferred and applied as provided in a Written Request of the Issuer delivered to the Trustee upon the issuance of the Series 2025 Bonds.

(c) In addition to the Series 2025 Bonds, there are hereby authorized to be issued by Supplemental Indenture one or more Series of Refunding Bonds for the purpose of refunding any Series of Bonds then Outstanding hereunder, subject to the following conditions:

(i) the Supplemental Indenture providing for issuance a Series of Refunding Bonds shall set forth (A) the Bonds to be refunded, (B) the Series designation and aggregate principal amount of the Refunding Bonds, (C) the Maturity Dates (which shall be no later than the Final Maturity Date) and any Sinking Fund Installments for the Refunding Bonds, (D) the Scheduled Debt Service Deposits for such Bonds, (E) the initial Interest Rate Period for such Bonds, and if such Interest Rate Period is to be an Index Rate Period, the applicable Index and the Applicable Spread and, if the Index is the SOFR Index, the Applicable Factor, and (F) such other terms and provisions as are not inconsistent with this Indenture;

(ii) a Series of Refunding Bonds issued in a Fixed Rate Period may be sold at a premium;

(iii) the proceeds of a Series of Refunding Bonds (including any sale premium) shall be used exclusively to pay the Cost of Acquisition relating to the Refunding Bonds;

(iv) if such Bonds are Variable Rate Bonds, and if such Bonds are to bear interest at a Daily Interest Rate, a Weekly Interest Rate or CP Interest Term Rates, the Issuer shall have appointed a Remarketing Agent for such Bonds;

(v) the delivery to the Trustee of an Accountant's Certificate verifying ongoing cash flow sufficiency and Termination Payment sufficiency, provided that the Trustee shall have no duty or obligation to review the contents thereof and shall receive such Accountant's Certificate solely as a repository on behalf of Bondholders;

(vi) the delivery to the Trustee of the requests, opinions and documents required by Section 2.3; and

(vii) the receipt by the Trustee of a Rating Confirmation with respect to any Bonds Outstanding prior to the issuance of such Refunding Bonds that will remain Outstanding after the issuance thereof.

Section 2.2 Terms of Series 2025 Bonds; Payment.

(a) The Series 2025 Bonds shall be dated as of the date of the initial authentication and delivery thereof, shall bear interest from such date, payable on each Interest Payment Date, and shall be subject to redemption as provided in Article IV. The principal and Redemption Price of and interest on the Series 2025 Bonds shall be payable at the designated corporate trust office of the Trustee, and the Trustee is hereby appointed Paying Agent and Bond Registrar for the Bonds; provided that interest on the Bonds shall be paid, by check payable to the order of the Owner entitled thereto, and mailed by first class mail, postage prepaid, to the address of such Owner as shall appear on the books of the Bond Registrar, as of the close of business on the Regular Record Date for such Interest Payment Date, whether or not such Regular Record Date is a Business Day. Upon the written request of any Owner of one million dollars ($1,000,00) or more in aggregate principal amount of Bonds received by the Trustee prior to the applicable Regular Record Date (which request shall remain in effect until rescinded in writing by such Owner), interest shall be paid on each Interest Payment Date by wire transfer of immediately available funds to an account maintained in any bank or trust company in the United States of America that is a member of the Federal Reserve System designated in writing by such Owner.

(b) The Series 2025 Bonds shall mature on the Maturity Dates and in the principal amounts set forth below, subject to Sinking Fund Installments as set forth in Section 4.2. The Initial Interest Rate Period for the Series 2025 Bonds shall be a Fixed Rate Period and the Series 2025 Bonds shall bear interest during such Interest Rate Period at the rates set forth below:

Maturity Date ***Principal Amount*** ***Interest Rate***

; provided that, if a Ledger Event occurs under the Commodity Purchase Agreement and J. Aron does not exercise the J. Aron Acceleration Option and makes the Ledger Event Payments required by Section 17.2 of the Commodity Purchase Agreement, the Series 2025 Bonds shall bear interest at the Increased Interest Rate during an Increased Interest Rate Period that begins on the day on which such Ledger Event occurs. If the Increased Interest Rate Period ends due to the occurrence of a Termination Payment Event, then the Series 2025 Bonds shall bear interest at the rate(s) shown in the table above from and including the date of such Termination Payment Event to the associated extraordinary redemption date of the Series 2025 Bonds pursuant to Section 4.1. If the Increased Interest Rate Period ends due to the failure of the Commodity Supplier to pay Ledger Event Payments due pursuant to Section 17.2 of the Commodity Purchase Agreement, then the Series 2025 Bonds shall bear interest at the rate(s) shown in the table above from and including the Interest Payment Date immediately succeeding the last date on which the Commodity Supplier paid the Ledger Event Payments required by Section 17.2 of the Commodity Purchase Agreement until the earlier of their stated maturity, the Series 2025 Mandatory Purchase Date or any prior redemption date. The Issuer shall give prompt Written Notice to the Trustee of (i) the occurrence and date of a Ledger Event (which shall be the first day of the related Increased Interest Rate Period), and (ii) the occurrence and date of any Termination Payment Event (which shall be the last day of the related Increased Interest Rate Period). All references herein and in the Series 2025 Bonds to "interest" on the Series 2025 Bonds during the Initial Interest Rate Period, including all provisions relating to the accrual, computation and payment of interest, shall include interest at the Increased Interest Rate during any Increased Interest Rate Period.

(c) Interest on the Series 2025 Bonds shall be payable to the date on which such Bonds shall have been paid in full. Interest on the Series 2025 Bonds shall be computed on the basis of a 360-day year consisting of twelve 30-day months. The first Interest Payment Date for the Series 2025 Bonds is [August 1], 2025.

(d) The initial interest rates for the Bonds of each Series and the determination for such Bonds of the Daily Interest Rate, the Weekly Interest Rate, the Index Rate or the Fixed Rate and each CP Interest Term and CP Interest Term Rate by the Remarketing Agent for such Bonds shall be conclusive and binding upon the Issuer, the Trustee, the Remarketing Agent and the Owners of the Bonds.

(e) In connection with any Fixed Rate Conversion Date of a Series of Bonds, the Sinking Fund Installments, if any, established for such Series pursuant to the applicable Supplemental Indenture may be re-designated as Maturity Dates and Sinking Fund Installments for such Bonds on the Fixed Rate Conversion Date for such Bonds as provided for in the applicable Supplemental Indenture.

Section 2.3 Conditions for Issuance of Bonds. The Bonds of each Series shall be executed by the Issuer and delivered to the Trustee and thereupon shall be authenticated by the Trustee and delivered upon the Written Direction of the Issuer, but only upon the receipt by the Trustee of:

(a) A copy, certified by an Authorized Officer, of a resolution and/or evidence of any other official actions taken by the Issuer that authorize the execution and delivery of the Bonds, together with a Written Request as to the authentication and delivery of the Bonds, signed by an Authorized Officer;

(b) An Opinion or Opinions of Counsel to the effect that (A) the Issuer has the right and power to authorize and enter into this Indenture, the Commodity Supply Contract, the Commodity Purchase Agreement, the Issuer Commodity Swap and any Interest Rate Swap, and (B) the Commodity Supply Contract, the Commodity Purchase Agreement, the Issuer Commodity Swap and any Interest Rate Swap have been duly and lawfully authorized, executed and delivered by the Issuer, are in full force and effect and (assuming due authorization, execution and delivery by, and validity and binding effect upon, the other parties thereto) are valid, binding and enforceable upon the Issuer in accordance with their respective terms, and no other authorization for the Commodity Supply Contract, the Commodity Purchase Agreement, the Issuer Commodity Swap or any Interest Rate Swap is required; *provided*, that such Opinion(s) of Counsel may take customary exceptions, including as to the effect of, or for restrictions or limitations imposed by or resulting from, bankruptcy, insolvency, receivership, debt adjustment, moratorium, reorganization, arrangement, fraudulent conveyance or other similar laws relating to or affecting creditors' rights generally, the application of equitable principles, the exercise of judicial discretion, limitations on legal remedies against public entities in the State, and the valid exercise of the sovereign police powers of the State and of the constitutional power of the United States of America and may state that no opinion is being rendered as to the availability of any particular remedy under the financing documents;

(c) An Opinion of Bond Counsel to the effect that (A) the Bonds constitute the valid and binding special obligations of the Issuer; (B) this Indenture has been duly executed and delivered by, and constitutes the valid and binding obligation of, the Issuer; (C) this Indenture creates a valid pledge of the Trust Estate to secure the payment of principal of and interest on the Bonds, of the Revenues and any other amounts (including proceeds of the sale of the Bonds) held by the Trustee in any fund or account established pursuant to this Indenture, except for Rebate Payments held in the Operating Fund, subject to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in this Indenture; and (D) the Bonds are not a lien or charge upon the funds or property of the Issuer except to the extent of the aforementioned pledge; *provided*, that such Opinion of Bond Counsel may take customary exceptions, including as to the effect of, or for restrictions or limitations imposed by or resulting from, bankruptcy, insolvency, receivership, debt adjustment, moratorium, reorganization, arrangement, fraudulent conveyance, or other similar laws relating to or affecting creditors' rights generally, the application of equitable principles, the exercise of judicial discretion, limitations on legal remedies against public entities in the State, and the valid exercise of the sovereign police powers of the State and of the constitutional power of the United States of America and may state that no opinion is being rendered as to the availability of any particular remedy;

(d) An opinion of Special Tax Counsel to the effect that, if applicable, interest on any tax-exempt Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code;

(e) Executed or certified copies of the Commodity Supply Contract;

(f) An opinion of counsel to the Project Participant to the effect that the Commodity Supply Contract has been duly authorized, executed and delivered by the Project Participant, is the valid and binding obligation of the Project Participant and is enforceable in accordance with its terms, subject to standard assumptions and exceptions with respect to enforceability;

(g) A rating on the Bonds from at least one Rating Agency; and

(h) A Written Certificate of the Issuer (which may be combined with the Written Request of the Issuer required to be delivered pursuant to this Section 2.3) to the effect that all conditions precedent under this Indenture applicable to the execution, authentication and delivery of such Bonds have been satisfied.

Section 2.4 Initial Interest Rate Period; Subsequent Interest Rate Periods.

(a) The Series 2025 Bonds shall be initially issued in the Interest Rate Period set forth in Section 2.2(b). Upon the purchase of the Series 2025 Bonds on the Series 2025 Mandatory Purchase Date, the Interest Rate Period for the Series 2025 Bonds may be converted to a Daily Interest Rate Period, a Weekly Interest Rate Period, a Commercial Paper Interest Rate Period, an Index Rate Period, a Fixed Rate Period or a combination thereof, as provided in this Article II. In the event that two or more Interest Rate Periods are so established, the Series 2025 Bonds shall, by Supplemental Indenture, be divided into separate Series or sub-Series corresponding to such Interest Rate Periods.

(b) In the manner hereinafter provided, the term of each Series of Bonds will be divided into consecutive Interest Rate Periods during each of which such Bonds shall bear interest at the Daily Interest Rate, the Weekly Interest Rate, CP Interest Term Rates, a Fixed Rate or an Index Rate; provided, however, that the Interest Rate Period shall be the same for all Bonds of a Series, and no Bond shall bear interest in excess of the Maximum Rate. The Interest Rate Period for any Series of Bonds (other than the Initial Interest Rate Period for the Series 2025 Bonds) shall be established pursuant to the related Supplemental Indenture.

Section 2.5 Daily Interest Rate Period.

(a) Determination of Daily Interest Rates. During each Daily Interest Rate Period for a Series of Bonds, the Bonds of such Series shall bear interest at the Daily Interest Rate, which shall be determined by the Remarketing Agent on or before 11:00 a.m., New York City time, on each Business Day for such Business Day. The Minimum Daily Interest Rate will be determined by the Remarketing Agent by 10:00 a.m., New York City time, on each Business Day for such Business Day; the Remarketing Agent will then modify the interest rate as necessary and determine the final Daily Interest Rate not later than 11:00 a.m., New York City time, on such date; the Remarketing Agent will advise the Trustee by Electronic Means of any change in the final Daily Interest Rate by 12:00 noon, New York City time, on the day such rate is determined. The Daily

Interest Rate shall be the rate of interest per annum determined by the Remarketing Agent to be the minimum interest rate which, if borne by the Bonds of the applicable Series, would enable the Remarketing Agent to sell the Bonds of such Series on that Business Day at a price (without regarding accrued interest) equal to not less than 100% of the principal amount thereof. With respect to any day that is not a Business Day, the Daily Interest Rate for that day shall be the same Daily Interest Rate established for the immediately preceding Business Day. In the event the Remarketing Agent fails to establish a Daily Interest Rate for any Business Day, then the Daily Interest Rate for that Business Day shall be the Daily Interest Rate for the immediately preceding Business Day if the Daily Interest Rate for the immediately preceding Business Day was established by the Remarketing Agent. Subject to the provisions of Section 2.10(d), in the event that the Daily Interest Rate for the immediately preceding Business Day was not determined by the Remarketing Agent, or in the event that the Daily Interest Rate determined by the Remarketing Agent shall be held to be invalid or unenforceable by a court of law, then the Daily Interest Rate shall be deemed to be equal to the SIFMA Index on the Business Day such Daily Interest Rate would otherwise be determined as provided herein for such Daily Interest Rate Period.

(b) Conversion to Daily Interest Rate Period. Subject to Section 2.10, at any time the Issuer, in a Written Direction of the Issuer delivered to the Trustee and the Remarketing Agent (if any), may elect that a Series of Bonds shall bear interest at a Daily Interest Rate. Such direction of the Issuer shall specify (i) the proposed effective date of such Conversion to a Daily Interest Rate Period, which shall be (A) a Business Day not earlier than the 30th day following the second Business Day after receipt by the Trustee of the Written Direction of the Issuer, (B) in the case of a Conversion from a Weekly Interest Rate Period, a Commercial Paper Interest Rate Period, an Index Rate Period or a Fixed Rate Period, the day immediately following the last day of such Interest Rate Period, or (C) in the case of the Series 2025 Bonds, a day on which such Bonds are subject to optional redemption pursuant to Section 4.3(b) or an applicable Supplemental Indenture; and (ii) the date of delivery for the Bonds to be purchased on the effective date of such Conversion to a Daily Interest Rate Period. In addition, such direction shall be accompanied by a form of notice required by Section 2.5(c) and a letter of Bond Counsel that it expects to be able to give a Favorable Opinion of Bond Counsel on the effective date of the Conversion to the Daily Interest Rate Period. During each Daily Interest Rate Period commencing on the date so specified and ending on the day immediately preceding the effective date of the next succeeding Interest Rate Period, the interest rate borne by the applicable Series of Bonds shall be a Daily Interest Rate.

(c) Notice of Conversion to Daily Interest Rate Period. Upon timely receipt, and pursuant to the terms, of such Written Direction of the Issuer to elect a Daily Interest Rate, the Trustee shall give notice by first class mail of a Conversion to a Daily Interest Rate Period to the Owners of the Bonds of such Series not less than 30 days prior to the proposed effective date of such Daily Interest Rate Period. Such notice shall state: (i) that the Interest Rate Period for such Bonds will be converted to a Daily Interest Rate Period unless (A) the Issuer rescinds its election to convert the Interest Rate Period for the Bonds of such Series to a Daily Interest Rate Period as provided in Section 2.10(b) or (B) Bond Counsel shall fail to deliver a Favorable Opinion of Bond Counsel as to such Conversion on the applicable Conversion Date; (ii) the proposed Conversion Date to the Daily Interest Rate Period; and (iii) that the Bonds of such Series are subject to mandatory tender for purchase on the proposed Conversion Date and setting forth the applicable Purchase Price and the place of delivery for purchase of such Bonds regardless of whether any or all conditions precedent to such Conversion are met and setting forth the applicable Purchase Price and the place of delivery for purchase of such Bonds.

Section 2.6 Weekly Interest Rate Period.

(a) Determination of Weekly Interest Rates. During each Weekly Interest Rate Period for a Series of Bonds, the Bonds of such Series shall bear interest at the Weekly Interest Rate, which shall be determined by the Remarketing Agent by no later than 5:00 p.m., New York City time, on Wednesday of each week during such Weekly Interest Rate Period, or if such day shall not be a Business Day, then on the next succeeding Business Day. The Weekly Interest Rate for each Weekly Interest Rate Period shall be determined on or prior to the first day of such Weekly Interest Rate Period and shall apply to the period commencing on the first day of such Weekly Interest Rate Period and ending on the next succeeding Wednesday (whether or not a Business Day). Thereafter, each Weekly Interest Rate shall apply to the period commencing on Thursday (whether or not a Business Day) and ending on the next succeeding Wednesday (whether or not a Business Day), unless such Weekly Interest Rate Period shall end on a day other than Wednesday, in which event the last Weekly Interest Rate for such Weekly Interest Rate Period shall apply to the period commencing on Thursday (whether or not a Business Day) preceding the last day of such Weekly Interest Rate Period and ending on the last day of such Weekly Interest Rate Period. The Weekly Interest Rate shall be the rate of interest per annum determined by the Remarketing Agent to be the minimum interest rate which, if borne by the Bonds of the applicable Series, would enable the Remarketing Agent to sell the Bonds of such Series on the effective date of such rate at a price (without regarding accrued interest) equal to not less than 100% of the principal amount thereof. In the event that the Remarketing Agent fails to establish a Weekly Interest Rate for any week, then the Weekly Interest Rate for such week shall be the same as the Weekly Interest Rate for the immediately preceding week if the Weekly Interest Rate for such preceding week was determined by the Remarketing Agent. Subject to the provisions of Section 2.10(d), in the event that the Weekly Interest Rate for the immediately preceding week was not determined by the Remarketing Agent, or in the event that the Weekly Interest Rate determined by the Remarketing Agent shall be held to be invalid or unenforceable by a court of law, then the interest rate for such week shall be equal to the SIFMA Index on the day such Weekly Interest Rate would otherwise be determined as provided herein for such Weekly Interest Rate Period.

(b) Conversion to Weekly Interest Rate Period. Subject to Section 2.10, at any time, the Issuer, in a Written Direction of the Issuer delivered to the Trustee and the Remarketing Agent (if any), may elect that a Series of Bonds shall bear interest at a Weekly Interest Rate. Such direction of the Issuer shall specify (i) the proposed effective date of such Conversion to a Weekly Interest Rate Period, which shall be (A) a Business Day not earlier than the 30th day following the second Business Day after receipt by the Trustee of such Written Direction of the Issuer, (B) in the case of a Conversion from a Daily Interest Rate Period, a Commercial Paper Interest Rate Period, an Index Rate Period or a Fixed Rate Period, the day immediately following the last day of such Interest Rate Period, or (C) in the case of the Series 2025 Bonds, a day on which such Bonds are subject to optional redemption pursuant to Section 4.3(b) or an applicable Supplemental Indenture; and (ii) the date of delivery for such Bonds to be purchased on the effective date of such Conversion to a Weekly Interest Rate Period. In addition, such direction shall be accompanied by a form of notice required by Section 2.6(c) and a letter of Bond Counsel that it expects to be able to give a Favorable Opinion of Bond Counsel on the effective date of the Conversion to the Weekly Interest Rate Period. During each Weekly Interest Rate Period commencing on a date so specified and ending on the day immediately preceding the effective date of the next succeeding Interest Rate Period, the interest rate borne by the applicable Series of Bonds shall be a Weekly Interest Rate.

(c) Notice of Conversion to Weekly Interest Rate. Upon timely receipt, and pursuant to the terms, of such Written Direction of the Issuer to elect a Weekly Interest Rate, the Trustee shall give notice by first-class mail of a Conversion to a Weekly Interest Rate Period to the Owners of the Bonds of the applicable Series not less than 30 days prior to the proposed effective date of such Weekly Interest Rate Period. Such notice shall state: (i) that the Interest Rate Period on such Bonds will be converted to a Weekly Interest Rate unless (A) the Issuer rescinds its election to convert the Interest Rate Period for the Bonds of such Series to a Weekly Interest Rate Period as provided in Section 2.10(b) or (B) Bond Counsel fails to deliver a Favorable Opinion of Bond Counsel as to such Conversion on the applicable Conversion Date; (ii) the proposed Conversion Date to the Weekly Interest Rate Period; and (iii) that the Bonds of the applicable Series are subject to mandatory tender for purchase on the proposed Conversion Date regardless of whether any or all of the conditions precedent to such Conversion are met and setting forth the applicable Purchase Price and the place of delivery for purchase of such Bonds.

Section 2.7 Fixed Rate Period.

(a) Determination of Fixed Rate. During and in connection with a Fixed Rate Period for a Series of Bonds, (i) the Issuer may by Written Notice to the Trustee establish one or more Maturity Dates for the Bonds of such Series, and (ii) each maturity of such Bonds shall bear interest at a Fixed Rate. The Fixed Rate for each maturity of the Bonds of such Series upon initial issuance of such Series of Bonds shall be specified in this Indenture or a Supplemental Indenture providing for the issuance of such Series of Bonds. The Fixed Rate for each maturity of the Bonds of such Series upon Conversion of the Interest Rate Period for such Series of Bonds to a Fixed Rate Period shall be determined by the Underwriter or the Remarketing Agent, as the case may be, on a Business Day no later than the Issue Date or the Fixed Rate Conversion Date for such Series of Bonds, as applicable. Subject to the provisions of Section 2.7(d), each Fixed Rate shall be the rate of interest per annum determined by the Underwriter or the Remarketing Agent, as the case may be, to be the minimum interest rate which, if borne by the Bonds of the applicable Series and maturity, would enable the Underwriter or the Remarketing Agent, as the case may be, to sell the Bonds of such Series and maturity on such date at a price (without regard to accrued interest) equal to the principal amount thereof. If, for any reason, with respect to any Series of Bonds being converted to a Fixed Rate Period, the Fixed Rate for any maturity of such Series of Bonds for such Fixed Rate Period is not determined by the Remarketing Agent on or prior to the first day of such Fixed Rate Period, then the Interest Rate Period for the Bonds of the applicable Series shall be a Weekly Interest Rate Period and such Weekly Interest Rate Period shall continue until such time as the Interest Rate Period for such Series of Bonds shall have been converted to a Daily Interest Rate Period, a Commercial Paper Interest Rate Period, a Fixed Rate Period or an Index Rate Period as provided herein.

(b) Conversion to or Continuation of Fixed Rate Period.

(i) Subject to Section 2.10, at any time, the Issuer, in a Written Direction of the Issuer delivered to the Trustee and the Remarketing Agent (if any), may elect that the Bonds of a Series shall bear interest at a Fixed Rate. Such direction of the Issuer (A) shall specify the proposed effective date of the Fixed Rate Period, which date shall be (1) a Business Day not earlier than the 30th day following receipt by the Trustee of such Written Direction of the Issuer, (2) the day immediately following the last day of the Interest Rate Period then in effect, or (3) in the case of the Series 2025 Bonds, a day on which such Bonds are subject to optional redemption pursuant to Section 4.3(b) or an applicable Supplemental Indenture; (B) shall specify the last day of such Fixed

Rate Period, which day shall be either the day immediately prior to the Final Maturity Date for the applicable Series of Bonds, or a day which both immediately precedes a Business Day and is at least 181 days after the effective date of Fixed Rate Period; and (C) with respect to any such Fixed Rate Period, may specify redemption prices and periods different than those set forth in this Indenture or the applicable Supplemental Indenture providing for the issuance of such Series of Bonds, subject to the Favorable Opinion of Bond Counsel as provided in Section 2.7(b)(iii).

(ii) The day following the last day of any Fixed Rate Period for a Series of Bonds shall be a Fixed Rate Tender Date for such Bonds.

(iii) The election of the Issuer described in Section 2.7(b)(i) shall be accompanied by a letter or letters of Bond Counsel and/or Special Tax Counsel that it expects to be able to give a Favorable Opinion of Bond Counsel on the Fixed Rate Conversion Date and by a form of the notice to be mailed by the Trustee to the Owners of the Bonds of the applicable Series as provided in Section 2.7(c).

(iv) If, by the 29th day prior to the last day of any Fixed Rate Period that ends on a day other than the day immediately preceding the Final Maturity Date for the applicable Series of Bonds, the Trustee shall not have received Written Notice of the Issuer's election that, during the next succeeding Interest Rate Period, the Bonds of such Series shall bear interest at a Daily Interest Rate, a Weekly Interest Rate, a Fixed Rate, an Index Rate or CP Interest Term Rates, then the Bonds of the applicable Series shall be purchased on the applicable Mandatory Purchase Date pursuant to Section 4.13 and the Bonds shall not be remarketed.

(v) After the Final Fixed Rate Conversion Date for a Series of Bonds, the Bonds of the applicable Series shall no longer be subject to or have the benefit of the provisions of Section 4.11 through Section 4.22.

(c) Notice of Conversion to or Continuation of Fixed Rate. Upon timely receipt, and pursuant to the terms, of such Written Direction of the Issuer to elect a Fixed Rate, the Trustee shall give notice of a Conversion to a (or the establishment of another) Fixed Rate Period for a Series of Bonds to the Owners of the Bonds of such Series not less than 30 days prior to the proposed effective date of such Fixed Rate Period. Such notice shall state: (i) that the Interest Rate Period for such Bonds shall be converted to, or continue to be, a Fixed Rate Period unless (A) the Issuer rescinds its election to convert the Interest Rate Period for the Bonds of such Series to a, or establish a new, Fixed Rate Period as provided in Section 2.10(b) or (B) Bond Counsel fails to deliver a Favorable Opinion of Bond Counsel as to such Conversion on the Fixed Rate Conversion Date; (ii) the proposed Fixed Rate Conversion Date; and (iii) that such Bonds are subject to mandatory tender for purchase on the Fixed Rate Conversion Date regardless of whether any or all conditions precedent to such Conversion are met and setting forth the applicable Purchase Price and the place of delivery for purchase of such Bonds.

(d) Sale at Premium or Discount. [As set forth in Section 2.4(a), the Series 2025 Bonds of each maturity have been sold with an initial issue premium.] Notwithstanding the provisions of Section 2.7(a), the Fixed Rate for each maturity of any other Series of Bonds as initially issued, or the Fixed Rate for each maturity of any other Series of Bonds upon Conversion to a Fixed Rate Period, shall be the rate of interest per annum determined by the Underwriter or the Remarketing Agent, as applicable, to be the interest rate which, if borne by the Bonds of the applicable Series, would enable the Underwriter or the Remarketing Agent, as applicable, to sell such

Bonds at a price (without regard to accrued interest) which will result in the lowest net interest cost for such Bonds, after taking into account any premium or discount at which such Bonds are sold by the Underwriter or the Remarketing Agent, as applicable, provided that:

(i) The Underwriter or the Remarketing Agent, as applicable, certifies in writing to the Trustee and the Issuer that the sale of such Bonds at the interest rate and premium or discount specified by the Underwriter or the Remarketing Agent, as applicable, is expected to result in the lowest net interest cost for such Bonds;

(ii) The Issuer consents in writing to the sale of such Bonds at such premium or discount;

(iii) In the case of a Conversion of the Interest Rate Period for a Series of Bonds to a Fixed Rate Period, or establishment of another Fixed Rate Period for such Bonds, and the sale of such Bonds at a premium, the Underwriter or the Remarketing Agent, as applicable, shall transfer the amount of such premium to the Trustee for deposit into such Funds and Accounts as shall be specified in a Written Direction of the Issuer;

(iv) In the case of a Conversion of the Interest Rate Period for a Series of Bonds to a Fixed Rate Period, or establishment of another Fixed Rate Period for such Bonds, on or before the date of determination of the Fixed Rate, the Issuer delivers to the Trustee and the Remarketing Agent a letter or letters of Bond Counsel and/or Special Tax Counsel to the effect that it expects to be able to give a Favorable Opinion of Bond Counsel on the Fixed Rate Conversion Date; and

(v) In the case of a Conversion of the Interest Rate Period for a Series of Bonds to a Fixed Rate Period, or establishment of another Fixed Rate Period for such Bonds, on or before the Conversion Date, a Favorable Opinion of Bond Counsel shall have been received by the Trustee and confirmed to the Issuer and the Remarketing Agent.

Section 2.8 Commercial Paper Interest Rate Periods.

(a) Determination of CP Interest Terms and CP Interest Term Rates. During each Commercial Paper Interest Rate Period for a Series of Bonds, each Bond of such Series shall bear interest during each CP Interest Term for such Bond at the CP Interest Term Rate for such Bond. The CP Interest Term and the CP Interest Term Rate for each Bond need not be the same for any two Bonds of such Series, even if determined on the same date. Each of such CP Interest Terms and CP Interest Term Rates for each Bond shall be determined by the Remarketing Agent no later than the first day of each CP Interest Term. Each CP Interest Term shall be for a period of days within the range or ranges announced as possible CP Interest Terms no later than 9:30 a.m., New York City time, on the first day of each CP Interest Term by the Remarketing Agent. Each CP Interest Term for each Bond of the applicable Series shall be a period of not more than 180 days, determined by the Remarketing Agent to be the period which, together with all other CP Interest Terms for all Bonds of the applicable Series then Outstanding, will result in the lowest overall interest expense on such Bonds over the next succeeding one hundred eighty (180) days. Each CP Interest Term shall end on either a day which immediately precedes a Business Day or on the day immediately preceding the Final Maturity Date for the applicable Series of Bonds. If, for any reason, a CP Interest Term for any Bond cannot be so determined by the Remarketing Agent, or if the determination of such CP Interest Term is held by a court of law to be invalid or unenforceable, then

such CP Interest Term shall be thirty (30) days, but if the last day so determined shall not be a day immediately preceding a Business Day, such CP Interest Term shall end on the first day immediately preceding the Business Day next succeeding such last day, or if such last day would be after the day immediately preceding the Final Maturity Date for the applicable Series of Bonds, shall end on the day immediately preceding such Final Maturity Date. In determining the number of days in each CP Interest Term, the Remarketing Agent shall take into account the following factors: (i) existing short-term, tax-exempt market rates and indices of such short-term rates; (ii) the existing market supply and demand for short-term tax-exempt securities; (iii) existing yield curves for short-term and long-term tax-exempt securities for obligations of credit quality comparable to the Bonds of the applicable Series; (iv) general economic conditions; (v) industry economic and financial conditions that may affect or be relevant to the Bonds of the applicable Series; (vi) the CP Interest Terms of other Bonds of the applicable Series; and (vii) such other facts, circumstances and conditions pertaining to financial markets as the Remarketing Agent, in its sole discretion, shall determine to be relevant.

The CP Interest Term Rate for each CP Interest Term for each Bond in a Commercial Paper Interest Rate Period shall be the rate of interest per annum determined by the Remarketing Agent to be the minimum interest rate which, if borne by such Bond, would enable the Remarketing Agent to sell such Bond on the effective date of such rate at a price equal to the principal amount thereof. Subject to the provisions of Section 2.10(d), if, for any reason, a CP Interest Term Rate for any Bond in a Commercial Paper Interest Rate Period is not so established by the Remarketing Agent for any CP Interest Term, or if such CP Interest Term Rate is determined by a court of law to be invalid or unenforceable, then the CP Interest Term Rate for such CP Interest Term shall be a rate per annum equal to the SIFMA Index on the first day of such CP Interest Term.

(b) Conversion to Commercial Paper Interest Rate Period. Subject to Section 2.10, at any time, the Issuer, in a Written Direction of the Issuer to the Trustee and the Remarketing Agent (if any), may elect that a Series of Bonds shall bear interest at CP Interest Term Rates. Such Written Direction of the Issuer shall specify (i) the proposed effective date of the Commercial Paper Interest Rate Period, which shall be (A) a Business Day not earlier than the thirtieth (30th) day following the second Business Day after receipt by the Trustee of such direction, (B) the day immediately following the last day of the Interest Rate Period then in effect, or (C) in the case of the Series 2025 Bonds, a day on which such Bonds are subject to optional redemption pursuant to Section 4.3(b) or an applicable Supplemental Indenture; and (ii) the date of delivery of such Bonds to be purchased. In addition, the Written Direction of the Issuer shall be accompanied by (i) a letter of Bond Counsel that it expects to be able to give a Favorable Opinion of Bond Counsel on the Conversion Date, and (ii) a form of the notice to be mailed by the Trustee to the Owners of the Bonds of the applicable Series as provided in Section 2.8(c). During each Commercial Paper Interest Rate Period commencing on the date so specified and ending on the day immediately preceding the effective date of the next succeeding Interest Rate Period, each Bond of such Series shall bear interest at a CP Interest Term Rate applicable to the CP Interest Term then in effect for such Bond.

(c) Notice of Conversion to CP Interest Term Rates. Upon timely receipt, and pursuant to the terms, of such Written Direction of the Issuer to elect CP Interest Term Rates, the Trustee shall give notice by first-class mail of a Conversion to a Commercial Paper Interest Rate Period to the Owners of the Bonds of the applicable Series not less than 30 days prior to the proposed effective date of such Commercial Paper Interest Rate Period. Such notice shall state: (i) that such Bonds shall bear interest at CP Interest Term Rates unless (A) the Issuer rescinds its election to convert the Interest Rate Period for the Bonds of such Series to a Commercial Paper Interest Rate

Period as provided in Section 2.10(b) or (B) Bond Counsel fails to deliver a Favorable Opinion of Bond Counsel as to such Conversion on the Conversion Date or other conditions precedent to such Conversion are not met; (ii) the proposed Conversion Date; and (iii) that such Bonds are subject to mandatory tender for purchase on such proposed Conversion Date, regardless of whether any or all conditions precedent to such Conversion are met, and setting forth the applicable Purchase Price and the place of delivery for purchase of such Bonds.

(d) Conversion from Commercial Paper Interest Rate Period. Subject to Section 2.10(b), at any time during a Commercial Paper Interest Rate Period for a Series of Bonds, the Issuer may elect, pursuant to Section 2.5(b), Section 2.6(b), Section 2.7(b) or Section 2.9(c), that such Bonds no longer shall bear interest at CP Interest Term Rates and shall instead bear interest at a Daily Interest Rate, a Weekly Interest Rate, a Fixed Rate or an Index Rate, as specified in such election. In connection with any such election, and notwithstanding any provision contained in this Section 2.8 to the contrary, each CP Interest Term established by the Remarketing Agent for the Bonds shall end on the same date in order to facilitate the Conversion of such Bonds. The date on which all CP Interest Terms determined for the Bonds end shall be the last day of the then-current Commercial Paper Interest Rate Period and the day next succeeding such date shall be the effective date of the Daily Interest Rate Period, Weekly Interest Rate Period, Fixed Rate Period or Index Rate Period elected by the Issuer for such Bonds.

Section 2.9 Index Rate Periods.

(a) Determination of Applicable Spread. In connection with the issuance of a Series of Bonds bearing interest at an Index Rate, or the Conversion of the Interest Rate Period for a Series of Bonds to an Index Rate Period, the Underwriter or the Remarketing Agent, as applicable, shall determine the Applicable Spread and, if applicable, the Applicable Factor, and shall specify the same in the Index Rate Determination Certificate for the applicable Index Rate Period. The Applicable Spread and any Applicable Factor for an Index Rate Period shall be such amount or percentage as shall result in the minimum interest rate which, if borne by the Bonds of the applicable Series as of the first day of the applicable Index Rate Period, under Prevailing Market Conditions, would enable the Underwriter or the Remarketing Agent, as applicable, to sell the Bonds at a price equal to 100% of the aggregate principal amount of such Bonds on the first day of the applicable Index Rate Period.

(b) Determination of Index Rate.

(i) During any Index Rate Period for a Series of Bonds, such Bonds shall bear interest at an Index Rate, as specified in the applicable Index Rate Determination Certificate delivered to the Trustee on or before the first day of such Interest Rate Period.

(ii) With respect to each SIFMA Index Rate Period, the Calculation Agent shall (A) determine the SIFMA Index by 4:00 p.m., New York City time, on each Wednesday or, if such Wednesday is not a Business Day, the Business Day immediately succeeding such Wednesday, and (B) determine the SIFMA Index Rate at or before 12:00 noon, New York City time, on each Index Rate Reset Date. The Calculation Agent shall furnish each SIFMA Index Rate so determined to the Issuer and the Trustee by Electronic Means not later than each Index Rate Reset Date.

(iii) With respect to each SOFR Index Rate Period, the Calculation Agent shall (A) determine and provide to the Trustee by Electronic Means the SOFR Index by 4:00 p.m., New York City time, on each SOFR Publish Date, and (B) determine and provide to the Trustee by Electronic Means the SOFR Index Rate at or before 12:00 noon, New York City time, on each SOFR Effective Date.

(iv) During any Index Rate Period, interest shall be computed on the basis of a 365 or 366-day year and actual days elapsed. The Calculation Agent shall calculate and provide by Electronic Means to the Issuer and the Trustee the amount of interest due and payable on each Series of Bonds bearing interest at an Index Rate (A) with respect to a Series of Bonds bearing interest at the SIFMA Index Rate, on or prior to each Interest Payment Date, and (B) with respect to a Series of Bonds bearing interest at the SOFR Index Rate, on each Interest Payment Date, which in the case of a Series of Bonds bearing interest at the SOFR Index Rate shall be the SOFR Interest Calculation Date. The amount of interest due on a Series of Bonds bearing interest at the SIFMA Index Rate on any Interest Payment Date shall be calculated on the basis of the actual number of days in the calendar month immediately preceding such Interest Payment Date. The amount of interest due on a Series of Bonds bearing interest at the SOFR Index Rate on any Interest Payment Date shall be calculated on the basis of the actual number of days in the SOFR Accrual Period immediately preceding such Interest Payment Date. All percentages resulting from any step in the calculation of interest on a Series of Bonds while in an Index Rate Period will be rounded, if necessary, to the nearest ten thousandth of a percentage point (i.e., to five decimal places) with five hundred thousandths of a percentage point rounded upward, and all dollar amounts used in or resulting from such calculation of interest on such Bonds while in an Index Rate Period will be rounded to the nearest cent (with one-half cent being rounded upward).

(v) Upon the written request of any Bondholder, the Calculation Agent shall (A) confirm the applicable Index Rate then in effect, and (B) provide the calculation of, and supporting data for, the amount of interest due on a Series of Bonds bearing interest at an Index Rate on each Interest Payment Date.

(vi) In determining the Index Rate that any Bond shall bear as provided in this Section 2.9, neither the Underwriter nor the Remarketing Agent, as applicable, the Calculation Agent, nor the Trustee shall have any liability to the Issuer or the Holder of such Bond, except for its negligence or willful misconduct.

(vii) If, during any Index Rate Period, the Index or rate used to determine an Index Rate is not reported by the relevant source at the time necessary for determination of such Index Rate or otherwise ceases to be available, the Issuer or its independent financial advisor shall determine a substitute or replacement Index Rate (as applicable), and promptly provide the same via Electronic Means to the Trustee and the Calculation Agent, together with the effective date of the substitute or replacement Index Rate, which substitute or replacement must be consistent with any corresponding substitute or replacement index designated pursuant to the relevant Interest Rate Swap.

(c) Index Rate Continuation.

(i) On any Mandatory Purchase Date pursuant to Section 4.13 or in the case of the Series 2025 Bonds, a day on which such Bonds are subject to optional redemption pursuant to Section 4.3(b) or an applicable Supplemental Indenture, and unless the Issuer has given

written notice with respect to the Conversion of the Bonds to an Interest Rate Period other than the Index Rate Period, the Issuer may establish a new Index Rate Period and a new Index Rate for the Bonds with such right to be exercised by delivery of an Index Rate Continuation Notice to the Trustee no less than 30 days prior to the effective date of the new Index Rate Period. The Index Rate Continuation Notice shall be accompanied by a letter or letters of Bond Counsel and/or Special Tax Counsel to the effect that it expects to be able to deliver a Favorable Opinion of Bond Counsel on the effective date of the new Index Rate Period.

(ii) Any establishment of a new Index Rate and Index Rate Period for a Series of Bonds pursuant to paragraph (i) above must comply with the following conditions:

(A) the first day of such new Index Rate Period must be a Mandatory Purchase Date for such Bonds pursuant to the provisions of Section 4.13, and such Bonds shall be required to be tendered for purchase on such date;

(B) the first day of such new Index Rate Period must be a Business Day; and

(C) no new Index Rate shall become effective unless (x) the Favorable Opinion of Bond Counsel referred to in paragraph (i) above is delivered on the first day of the new Index Rate Period and (y) no Failed Remarketing has occurred.

(iii) Upon receipt by the Trustee of an Index Rate Continuation Notice from an Authorized Officer of the Issuer, as soon as practicable, but in any event not less than 10 Business Days prior to the first day of the proposed Index Rate Period, the Issuer (or any Dissemination Agent appointed by the Issuer) shall give notice by first-class mail or by Electronic Means via EMMA to the Holders of the Bonds of the applicable Series, which notice shall state in substance:

(A) that a new Index Rate Period and Index Rate is to be established for such Bonds and the proposed effective date of such new Index Rate Period (which date shall be the Mandatory Purchase Date for such Bonds pursuant to Section 4.13), and that such new Index Rate Period and Index Rate will become effective on such date if the conditions specified in this Section 2.9 are satisfied on or before such date;

(B) that all Bonds of the applicable Series are subject to mandatory tender for purchase on the applicable Mandatory Purchase Date pursuant to Section 4.13 (whether or not the proposed new Index Rate Period becomes effective on such date) at the Purchase Price, which shall be specified therein;

(C) the first day of the new Index Rate Period;

(D) that the new Index Rate Period and Index Rate for the Bonds shall not be established unless a Favorable Opinion of Bond Counsel is delivered to the Trustee on the first day of the new Index Rate Period and no Failed Remarketing has occurred;

(E) the CUSIP numbers or other identification information of the Bonds of the applicable Series; and

(F) that, to the extent that there shall be on deposit with the Trustee on the first day of the new Index Rate Period an amount of money sufficient to pay the Purchase Price thereof, all the Bonds not delivered to the Trustee on or prior to such date shall be deemed to have been properly tendered for purchase and shall cease to constitute or represent a right on behalf of the Holder thereof to the payment of principal thereof or interest thereon and shall represent and constitute only the right to payment of the Purchase Price on deposit with the Trustee, without interest accruing thereon after such date.

(d) End of Index Rate Period. In the event the Issuer has not given an Index Rate Continuation Notice or other Written Notice reasonably acceptable to the Trustee with respect to the Conversion of Bonds to an Interest Rate Period other than an Index Rate Period, in either case at the time required by this Indenture, or if the conditions to the effectiveness of a new Index Rate Period and new Index Rate set forth in Section 2.9(c)(ii) are not satisfied, including as a result of the Remarketing Agent's failure to establish an Index Rate as herein provided, then the Bonds of the applicable Series shall be purchased on the applicable Mandatory Purchase Date pursuant to Section 4.13 and the Bonds shall not be remarketed.

Section 2.10 Notice of Conversion.

(a) In the event that the Issuer shall elect to convert the Interest Rate Period for a Series of Bonds to a Daily Interest Rate Period, a Weekly Interest Rate Period, a Fixed Rate Period, an Index Rate Period or a Commercial Paper Interest Rate Period as provided in this Article II, then the Written Direction of the Issuer required to be delivered to the Trustee by the applicable provision of this Article II shall be given by registered or certified mail, or by Electronic Means.

(b) Notwithstanding anything in this Article II, in connection with any Conversion of the Interest Rate Period for a Series of Bonds, the Issuer shall have the right to deliver to the Trustee and the Remarketing Agent (if any), on or prior to 10:00 a.m., New York City time, on the third Business Day preceding the effective date of any such Conversion a Written Direction of the Issuer to the effect that the Issuer elects to rescind its election to make such Conversion. If the Issuer rescinds its election to make such Conversion, then the Interest Rate Period shall not be converted and the Bonds of the applicable Series shall continue to bear interest in the Daily Interest Rate Period, Weekly Interest Rate Period, Fixed Rate Period, Commercial Paper Interest Rate Period or Index Rate Period, as the case may be, as in effect immediately prior to such proposed Conversion (provided, that the period of any such continuing Fixed Rate Period shall be one year). In any event, if notice of a Conversion has been mailed to the Owners as provided in this Article II and the Issuer rescinds its election to make such Conversion, then the Bonds of the applicable Series shall continue to be subject to mandatory tender for purchase on the date which would have been the Conversion Date as provided in Section 4.14.

(c) No Conversion of a Series of Bonds from one Interest Rate Period to another shall take effect under this Indenture unless each of the following conditions, to the extent applicable, shall have been satisfied:

(i) the Trustee shall have received a Favorable Opinion of Bond Counsel with respect to such Conversion;

(ii) with respect to any Series of Bonds bearing interest at an Index Rate or a Fixed Rate, no Conversion may occur with respect to such Bonds earlier than (A) the Business

Day following the last day of the applicable Interest Rate Period or (B) in the case of the Series 2025 Bonds, a day on which such Bonds are subject to optional redemption pursuant to Section 4.3(b) or an applicable Supplemental Indenture;

(iii) in the case of any Conversion of the Interest Rate Period for a Series of Bonds to a Daily Interest Rate Period, a Weekly Interest Rate Period or a Commercial Paper Interest Rate Period, prior to the Conversion Date the Issuer shall have appointed a Remarketing Agent and shall have executed and delivered a Remarketing Agreement with respect to such Series of Bonds; and

(iv) in the case of a Conversion of the Interest Rate Period for a Series of Bonds to an Index Rate Period, prior to the Conversion Date the Issuer shall have appointed a Calculation Agent and executed and delivered a Calculation Agent Agreement with respect to such Series of Bonds.

(d) If any condition to the Conversion of the Interest Rate Period for a Series of Bonds shall not have been satisfied, then the Interest Rate Period shall not be converted and the Bonds of the applicable Series shall continue in the Daily Interest Rate Period, Weekly Interest Rate Period, Index Rate Period, Fixed Rate Period, or Commercial Paper Interest Rate Period, as the case may be, as in effect immediately prior to such proposed Conversion (provided, that the period of any such continuing Fixed Rate Period shall be one year), and the Bonds of such Series shall continue to be subject to mandatory tender for purchase on the date which would have been the effective date of the Conversion as provided in Section 4.14.

(e) Notwithstanding anything in this Article II to the contrary, in connection with the Conversion of the Interest Rate Period for a Series of Bonds from a Fixed Rate Period that would require the mandatory tender for purchase of such Bonds at a Purchase Price greater than the principal amount thereof, the Issuer, as a condition to exercising its option to cause a Conversion of the Interest Rate Period, shall deliver to the Trustee, prior to the mailing of notice of such Conversion, a description of the source of the Funds to be used to pay such premium.

Section 2.11 Liquidity Facility. In connection with the issuance of Refunding Bonds pursuant to Section 2.1(c) or, at any time after the Series 2025 Mandatory Purchase Date, the conversion of Bonds pursuant to Section 2.5(b), Section 2.6(b), Section 2.7(b), Section 2.8(b), or Section 2.9(c), the Issuer may elect to obtain a Liquidity Facility for such Bonds if they are to be Variable Rate Bonds. If the Issuer makes such an election, the terms of the Liquidity Facility and the Liquidity Facility Provider with respect to such Bonds, and the mechanics for drawing on such Liquidity Facility, shall be set forth in a Supplemental Indenture.

Section 2.12 Provisions Regarding the Issuer Commodity Swap.

(a) In connection with the Commodity Project, the Issuer shall enter into the initial Issuer Commodity Swap with the Commodity Swap Counterparty. The following shall apply to the Commodity Swaps:

(i) The method for the calculation of the Commodity Swap Payments and Commodity Swap Receipts, as applicable, and the scheduled payment dates therefor, are set forth in Schedule III hereto.

(ii) Commodity Swap Payments shall be made by the Trustee for the account of the Issuer from the Operating Fund and, if required, the Commodity Swap Reserve Account (in each case to the extent of amounts available therein and subject to the terms of the Issuer Custodial Agreement).

(iii) Commodity Swap Receipts shall be payable directly to the Trustee for the account of the Issuer and shall be deposited directly into the Revenue Fund.

(b) The following shall apply with respect to restrictions on replacement and termination of the Issuer Commodity Swap:

(i) The Issuer agrees that it will not exercise any right to declare an early termination date under an Issuer Commodity Swap unless either (A) the Issuer has entered into a replacement Issuer Commodity Swap in accordance with clause (ii), (iii) or (iv) below, and such replacement Issuer Commodity Swap will be effective as of such early termination date and cover price exposure from and after such early termination date, or (B) a "Commodity Delivery Termination Date" has occurred or has been designated under (and as such term is defined in) the Commodity Purchase Agreement prior to or as of such early termination date.

(ii) The Issuer may replace an Issuer Commodity Swap (and any related guaranty of a Commodity Swap Counterparty's obligations thereunder) with a similar agreement for the same hedging purposes with an alternate Commodity Swap Counterparty at any time upon delivery to the Trustee of a Rating Confirmation.

(iii) If an Issuer Commodity Swap is subject to termination (or, in the case of clause (B) below, is terminated) by either party in accordance with its terms, then (A) the Issuer may, subject to clause (i) above, terminate such Issuer Commodity Swap if the Issuer has the right to do so, and (B) (I) the Issuer may replace such Issuer Commodity Swap by exercising its right to increase its notional quantities under another Issuer Commodity Swap with another Commodity Swap Counterparty if such Issuer Commodity Swap is in effect and is not subject to termination, or (II) if the Issuer cannot increase its notional quantities under clause (I) or if the Issuer desires to enter into a new Issuer Commodity Swap in order to reduce its notional quantities under the Issuer Commodity Swap to their level previous following an increase of such notional quantities under clause (I), the Issuer may enter into a replacement Issuer Commodity Swap with an alternate Commodity Swap Counterparty without Rating Confirmation, but only if the replacement Issuer Commodity Swap is identical in all material respects to the existing Issuer Commodity Swap, except for the identity of the Commodity Swap Counterparty, and (1) the replacement Commodity Swap Counterparty (or its credit support provider under such Issuer Commodity Swap) is then rated at least the lower of (a) the Minimum Rating or (b) the rating then assigned by each Rating Agency to the Bonds, and (2) such replacement Commodity Swap Counterparty enters into a replacement Commodity Supplier Custodial Agreement with the Commodity Supplier and the Custodian that is identical in all material respects to the existing Commodity Supplier Custodial Agreement for the Commodity Swap being replaced.

(iv) If an Issuer Commodity Swap is not otherwise replaced but the Commodity Supplier is obligated under Section 3(d) of a Commodity Supplier Custodial Agreement to continue paying Commodity Swap Receipts in the same amount that would have applied under such Issuer Commodity Swap, then such Issuer Commodity Swap will be deemed to be replaced by such obligation under such Commodity Supplier Custodial Agreement and such obligation under the

Commodity Supplier Custodial Agreement will be treated as the Issuer Commodity Swap thereafter until such terminated Issuer Commodity Swap is otherwise replaced by another Issuer Commodity Swap.

(c) The following shall apply with respect to the termination of the Issuer Commodity Swap:

(i) Upon the occurrence of a Commodity Swap Replacement Event (defined below), the Issuer shall (A) notify the Commodity Supplier of such event pursuant to Section 17.5(b) of the Commodity Purchase Agreement, and (B) in accordance with Section 17.5(c) of the Commodity Purchase Agreement, either (I) replace the affected Issuer Commodity Swap by exercising its right to increase its notional quantities under the Issuer Commodity Swap with another Commodity Swap Counterparty if such a Commodity Swap is in effect and is not subject to termination, and otherwise (II) use its good faith efforts to replace such Issuer Commodity Swap with an alternate Issuer Commodity Swap during the Swap Replacement Period as set forth in (and as such term is defined in) Section 17.5(d) of the Commodity Purchase Agreement.

(ii) A "Commodity Swap Replacement Event" occurs if (A) an Issuer Commodity Swap terminates, (B) the Issuer or a Swap Counterparty delivers a termination notice under an Issuer Commodity Swap or (C) an Issuer Commodity Swap is otherwise reasonably anticipated to become subject to immediate termination.

Section 2.13 Provisions Regarding Interest Rate Swap.

(a) In connection with the issuance of any Variable Rate Bonds or the Conversion to any Variable Rate Bonds, the Issuer shall enter into an Interest Rate Swap with an Interest Rate Swap Counterparty. The following shall apply to any such Interest Rate Swap:

(i) The method for the calculation of the Interest Rate Swap Payments and Interest Rate Swap Receipts, as applicable, and the scheduled payment dates therefor will be set forth in the Interest Rate Swap;

(ii) Interest Rate Swap Payments shall be made by the Trustee for the account of the Issuer out of the Debt Service Account on parity with principal and interest payments on Bonds; and

(iii) Interest Rate Swap Receipts shall be payable directly to the Trustee for the account of the Issuer and shall be deposited directly into the Debt Service Account.

(b) The following shall apply with respect to restrictions on replacement and termination of the Interest Rate Swap:

(i) The Issuer agrees that it will not exercise any right to declare an early termination date under the Interest Rate Swap unless either (a) the Issuer has entered into a replacement Interest Rate Swap in accordance with clause (ii) and (iii) below, and such replacement Interest Rate Swap will be effective as of such early termination date and cover interest rate exposure from and after such early termination date, or (b) in all other cases, the Commodity Purchase Agreement will terminate prior to or as of such early termination date.

(ii) The Issuer may replace the Interest Rate Swap (and any related guaranty of the Interest Rate Swap Counterparty's obligations thereunder) with a similar agreement for the same hedging purposes with an alternate Interest Rate Swap Counterparty at any time upon delivery to the Trustee of a Rating Confirmation.

(iii) If the Interest Rate Swap is subject to termination (or, in the case of clause (B) below, is terminated) by either party in accordance with its terms, then (A) the Issuer may, subject to clause (i) above, terminate the Interest Rate Swap if the Issuer has the right to do so, and (B) the Issuer may enter into a replacement Interest Rate Swap with an alternate Interest Rate Swap Counterparty without Rating Confirmation, but only if the replacement Interest Rate Swap is identical in all material respects to the existing Interest Rate Swap, except for the identity of the Interest Rate Swap Counterparty, and the alternate Interest Rate Swap Counterparty (or its credit support provider under the Interest Rate Swap) is then rated at least the lower of (a) the Minimum Rating or (b) the rating then assigned by each Rating Agency to the Bonds.

(iv) In connection with any replacement or termination of the Interest Rate Swap, the Issuer shall deliver a Written Certificate to the Trustee stating that the replacement of the Interest Rate Swap is authorized or permitted by this Section 2.13(b).

ARTICLE III

GENERAL TERMS AND PROVISIONS OF BONDS

Section 3.1 Medium of Payment; Form and Date; Letters and Numbers.

(a) The Bonds shall be payable, with respect to interest, principal and Redemption Price, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

(b) The Bonds may be issued only in the form of fully registered Bonds without coupons, in Authorized Denominations. The Bonds shall be in substantially the form set forth in Exhibit A hereto, and may be printed, engraved, typewritten or otherwise produced.

(c) Unless the Issuer shall otherwise direct, the Bonds shall be numbered from one upward.

Section 3.2 Legends. The Bonds may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of this Indenture as may be necessary or desirable to comply with custom, the rules of any securities exchange or commission or brokerage board, or otherwise, as may be determined by the Issuer prior to the authentication and delivery thereof.

Section 3.3 Execution and Authentication.

(a) the Issuer and the Trustee agree that the Electronic Signature of a party to this Indenture, including all acknowledgements, authorizations, directions, waivers and consents thereto (or any amendment or supplement thereto) shall be valid, binding, and enforceable against a party only when executed and delivered by an authorized individual on behalf of the party by means of (i) any electronic signature permitted by the federal Electronic Signatures in Global and National

Commerce Act, state enactments of the Uniform Electronic Transactions Act, and/or any other relevant electronic signatures law, including relevant provisions of the Uniform Commercial Code/UCC (collectively, "Signature Law"); (ii) an original manual signature; or (iii) a faxed, scanned, or photocopied manual signature. Each electronic signature or faxed, scanned, or photocopied manual signature shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature. Each party hereto shall be entitled to conclusively rely upon, and shall have no liability with respect to, any faxed, scanned, or photocopied manual signature, or other electronic signature, of any party and shall have no duty to investigate, confirm or otherwise verify the validity or authenticity thereof. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but such counterparts shall, together, constitute one and the same instrument. For avoidance of doubt, original manual signatures shall be used for execution or indorsement of writings when required under the UCC or other Signature Law due to the character or intended character of the writings.

(b) The Bonds shall be executed in the name of the Issuer by the manual or facsimile signature of the President of the Commission, the Vice President of the Commission, the Executive Director or the Treasurer of the Authority or other Authorized Officer, and attested by the manual or facsimile signature of its Secretary, the Executive Secretary, a Deputy Secretary or other Authorized Officer, or in such other manner as may be required or permitted by law. In case any one or more of the officers who shall have signed any of the Bonds shall cease to be such officer before the Bonds so signed shall have been authenticated and delivered by the Trustee, such Bonds may, nevertheless, be authenticated and delivered as herein provided, and may be issued as if the Persons who signed such Bonds had not ceased to hold such offices. Any Bond may be signed on behalf of the Issuer by such Persons as at the time of the execution of such Bonds shall be duly authorized or hold the proper office in the Issuer, although at the date borne by the Bonds such Persons may not have been so authorized or have held such office.

(c) The Bonds shall bear thereon a certificate of authentication, in the form set forth in Exhibit A hereto, executed manually by the Trustee. Only such Bonds as shall bear thereon such certificate of authentication shall be entitled to any right or benefit under this Indenture, and no Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee. Such certificate of the Trustee upon any Bond executed on behalf of the Issuer shall be conclusive evidence that the Bond so authenticated has been duly authenticated and delivered under this Indenture and that the Holder thereof is entitled to the benefits of this Indenture.

Section 3.4 Exchange, Transfer and Registry.

(a) The Bonds shall be registered as transferred only upon the books of the Issuer, which shall be held and controlled by the Bond Registrar and kept for such purposes at the designated corporate trust office of the Bond Registrar, by the registered owner thereof in person or by its attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer, in form and with guaranty of signature satisfactory to the Bond Registrar duly executed by the registered owner or its duly authorized attorney. The transferor shall also provide, or cause to be provided, to the Trustee all information reasonably required by the Trustee to allow it to comply with any applicable federal, state or local tax reporting obligations, including, without limitation, any cost-basis reporting obligations under Section 6045 of the Internal Revenue Code. The Trustee may rely upon such information provided to it and shall have no responsibility to verify or ensure the accuracy of such information. Upon the registration of transfer of any Bond, the Issuer shall issue in

the name of the transferee a new Bond or Bonds of the same Series, aggregate principal amount and maturity as the surrendered Bond.

(b) The registered owner of any Bond or Bonds of one or more denominations shall have the right to exchange such Bond or Bonds for a new Bond or Bonds of any denomination then authorized for such Bond or Bonds of the same Series, aggregate principal amount and maturity of the surrendered Bond or Bonds. Such Bond or Bonds shall be exchanged by the Issuer for a new Bond or Bonds upon the request of the registered owner thereof in person or by its attorney duly authorized in writing, upon surrender of such Bond or Bonds together with a written instrument requesting such exchange, in form and with guaranty of signature satisfactory to the Bond Registrar duly executed by the registered owner or its duly authorized attorney.

(c) The Issuer and each Fiduciary may deem and treat the Person in whose name any Bond shall be registered upon the books of the Issuer maintained by the Bond Registrar as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price, if any, of and interest on such Bond and for all other purposes, and all such payments so made to any such registered owner or upon its order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Issuer nor any Fiduciary shall be affected by any notice to the contrary.

Section 3.5 Regulations with Respect to Exchanges and Registration of Transfers. In all cases in which the privilege of exchanging or registering the transfer of Bonds is exercised, the Issuer shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of this Indenture. All Bonds surrendered in any such exchanges or registration of transfer shall forthwith be delivered to the Trustee and cancelled and disposed of in a manner deemed appropriate by the Trustee. Prior to every such exchange or registration of transfer of Bonds, whether temporary or definitive, the Issuer or the Bond Registrar may require the Holder to pay an amount sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. Unless otherwise provided in a Supplemental Indenture, neither the Issuer nor the Bond Registrar shall be required (a) to register the transfer or exchange of Bonds for the period next preceding any Interest Payment Date for the Bonds, beginning with the Regular Record Date for such Interest Payment Date and ending on such Interest Payment Date, or for the period next preceding any date for the proposed payment of Defaulted Interest with respect to such Bonds beginning with the Special Record Date for the date of such proposed payment and ending on the date of such proposed payment, (b) to register the transfer or exchange of Bonds for a period beginning 15 days before the mailing of any notice of redemption of such Bonds and ending on the day of such mailing, or (c) to register the transfer or exchange of any Bonds called for redemption. Every Person that transfers Bonds shall timely provide or cause to be timely provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost-basis reporting obligations under Section 6045 of the Internal Revenue Code and regulations promulgated thereunder. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

Section 3.6 Bonds Mutilated, Destroyed, Stolen or Lost. If any Bond becomes mutilated or is lost, stolen or destroyed, the Issuer may execute and the Trustee shall authenticate and deliver a new Bond of like Series, date of issue, maturity date, principal amount and interest rate per annum as the Bond so mutilated, lost, stolen or destroyed, provided that (a) in the case of such

mutilated Bond, such Bond is first surrendered to the Trustee, (b) in the case of any such lost, stolen or destroyed Bond, there is first furnished evidence of such loss, theft or destruction, in form satisfactory to the Trustee together with indemnity satisfactory to the Trustee while the Bonds are held in a Book-Entry System and to the Trustee and the Issuer at all other times, (c) all other reasonable requirements of the Issuer, set forth in a Written Instrument of the Issuer delivered to the Trustee are complied with, and (d) expenses in connection with such transaction are paid by the Holder. Any Bond surrendered for registration of transfer shall be cancelled. Any such new Bonds issued pursuant to this Section 3.6 in substitution for Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the Issuer, whether or not the Bonds so alleged to be destroyed, stolen or lost be at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits with all other Bonds issued under this Indenture, in any moneys or securities held by the Issuer or any Fiduciary for the benefit of the Bondholders. The Bondholder shall timely provide or cause to be timely provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost-basis reporting obligations under Section 6045 of the Internal Revenue Code and regulations promulgated thereunder. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

Section 3.7 Temporary Bonds.

(a) Until the definitive Bonds are prepared, the Issuer may execute, in the same manner as is provided in Section 3.3, and upon the request of the Issuer, the Trustee shall authenticate and deliver, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds, one or more temporary Bonds substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The Issuer at its own expense shall prepare and execute and, upon the surrender of such temporary Bonds for exchange and the cancellation of such surrendered temporary Bonds, the Trustee shall authenticate and, without service charge to the Owner thereof (except a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto), deliver in exchange therefor, definitive Bonds of the same aggregate principal amount and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds authenticated and issued pursuant to this Indenture.

(b) All temporary Bonds surrendered in exchange either for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith cancelled by the Trustee and disposed of in a manner deemed appropriate by the Trustee.

Section 3.8 Payment of Interest on Bonds; Interest Rights Preserved. Interest on any Bond which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the Person in whose name that Bond is registered at the close of business on the date (hereinafter, the "Regular Record Date") which is the 15th day of the calendar month next preceding such Interest Payment Date.

Any interest on any Bond which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (hereinafter, "Defaulted Interest") shall forthwith cease to be payable to the Person who was the registered owner on the relevant Regular Record Date; and such Defaulted Interest shall be paid by the Issuer to the Persons in whose names the Bonds are registered at the close of business on a date (hereinafter, the "Special Record Date") for the payment of such

Defaulted Interest, which shall be fixed in the following manner: the Issuer shall notify the Bond Registrar in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment, and at the same time the Issuer shall deposit with the Paying Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this Section 3.8 provided. Thereupon the Bond Registrar shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 days or less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Bond Registrar of written notice of the proposed payment. The Bond Registrar shall promptly notify the Issuer of such Special Record Date and, in the name and at the expense of the Issuer, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each Bondholder at its address as it appears upon the registry books, not less than 10 days prior to such Special Record Date.

Subject to the foregoing provisions of this Section 3.8, each Bond delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Bond shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

Section 3.9 Book-Entry System; Appointment of Securities Depository. All Bonds shall be registered in the name of Cede & Co., as nominee for DTC, as Securities Depository, and held in the custody or for the account of the Securities Depository. A single certificate will be issued and delivered to the Securities Depository for each maturity of each Series of Bonds, and the Beneficial Owners will not receive physical delivery of Bond certificates except as provided in this Indenture. For so long as the Securities Depository shall continue to serve as securities depository for the Bonds as provided herein, all transfers of Beneficial Ownership interests will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring Beneficial Ownership of Bonds is to receive, hold or deliver any Bond certificate.

The Issuer may, with written notice to the Trustee but without the consent of any Bondholders, appoint a successor Securities Depository and enter into an agreement with the successor Securities Depository, to establish procedures with respect to a Book-Entry System for the Bonds not inconsistent with the provisions of this Indenture. Any successor Securities Depository shall be a "clearing agency" registered under Section 17A of the Securities Exchange Act of 1934, as amended.

The Issuer and the Trustee may rely conclusively upon (i) a certificate of the Securities Depository as to the identity of the Participants in the Book-Entry System with respect to the Bonds, and (ii) a certificate of any such Participant as to the identity of, and the respective principal amount of the Bonds beneficially owned by the Beneficial Owners.

Whenever, during the term of the Bonds, the Beneficial Ownership of any Series thereof is determined by a book-entry at the Securities Depository, the requirements in this Indenture of holding, delivering or transferring such Bonds shall be deemed modified to require the appropriate Person to meet the requirements of the Securities Depository as to registering or transferring the book-entry to produce the same effect. Any provision hereof permitting or requiring delivery of the Bonds shall, while such Bonds are in such Book-Entry System, be satisfied by the notation on the books of the Securities Depository in accordance with applicable state law. Notwithstanding the

foregoing, the Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any security (including any transfers between or among Securities Depository Participants or Beneficial Owners) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by the terms of, this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

Except as otherwise specifically provided herein with respect to the rights of Participants and Beneficial Owners, when a Book-Entry System is in effect, the Issuer and the Trustee may treat the Securities Depository (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal, Redemption Price or purchase price of and interest on such Bonds or portion thereof to be redeemed or purchased, of giving any notice permitted or required to be given to the Bondholders under this Indenture and of voting, and neither the Issuer nor the Trustee shall be affected by any notice to the contrary. Neither the Issuer nor the Trustee will have any responsibility or obligations to the Securities Depository, any Participant, any Beneficial Owner or any other Person which is not shown on the bond register, with respect to (a) the accuracy of any records maintained by the Securities Depository or any Participant; (b) the payment by the Securities Depository or by any Participant of any amount due to any Beneficial Owner in respect of the principal amount, Redemption Price or purchase price of, or interest on, any Bonds; (c) the delivery of any notice by the Securities Depository or any Participant; (d) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of any of the Bonds; or (e) any other action taken by the Securities Depository or any Participant. The Trustee shall pay all principal or Redemption Price of and interest on the Bonds registered in the name of Cede only to or "upon the order of" the Securities Depository (as that term is used in the Uniform Commercial Code as adopted in the State and New York), and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to the principal, Redemption Price or purchase price of and interest on such Bonds to the extent of the sum or sums so paid.

The Book-Entry System may be discontinued by the Trustee and the Issuer, at the Written Direction and expense of the Issuer, and the Issuer and the Trustee will cause the delivery of Bond certificates to such Beneficial Owners of the Bonds and registered in the names of such Beneficial Owners as shall be specified to the Trustee by the Securities Depository in writing, under the following circumstances:

(a) The Securities Depository determines to discontinue providing its service with respect to any Bonds and no successor Securities Depository is appointed as described above. Such a determination may be made at any time by giving 30 days' written notice to the Issuer and the Trustee and discharging its responsibilities with respect thereto under applicable law; or

(b) The Issuer determines, with written notice to the Trustee, not to continue the Book-Entry System through a Securities Depository for the Bonds.

In connection with any proposed transfer outside the Book-Entry System of the Securities Depository, the Securities Depository or the Issuer shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost-basis reporting obligations under Section 6045 of the Internal Revenue Code and regulations thereunder. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

When the Book-Entry System is not in effect, all references herein to the Securities Depository shall be of no further force or effect.

Section 3.10 Limitation of Liability of Issuer. Notwithstanding anything to the contrary herein or in the Bonds, all obligations of the Issuer to make payments of any kind pursuant to this Indenture are special, limited obligations of the Issuer, payable solely from, and secured solely by, the Trust Estate as and to the extent provided herein. The Issuer shall not be required to advance any moneys derived from any source other than the Revenues and other assets pledged under this Indenture for any of the purposes in this Indenture mentioned, whether for the payment of the principal of or interest on the Bonds or for any other purpose of this Indenture. Neither the faith and credit of the Issuer nor the taxing power of the State or any political subdivision thereof is pledged to payments pursuant to this Indenture or the Bonds. The Issuer shall not be directly, indirectly, contingently or otherwise liable for any costs, expenses, losses, damages, claims or actions, of any conceivable kind on any conceivable theory, under or by reasons of or in connection with this Indenture or the Commodity Project, except solely to the extent Revenues are received for the payment thereof.

ARTICLE IV

REDEMPTION OF BONDS AND TENDER PROVISIONS

Section 4.1 Extraordinary Redemption.

(a) The Bonds shall be subject to mandatory redemption prior to maturity in whole, and not in part, on the first day of the Month following the Early Termination Payment Date, which redemption date in the case of a Failed Remarketing will be the same day as the affected Mandatory Purchase Date, at the following Redemption Prices:

(i) in the case of the Series 2025 Bonds and any other Series of tax-exempt Fixed Rate Bonds, the Amortized Value thereof, as calculated by a quotation agent selected by the Issuer, and

(ii) in the case of a Series of Variable Rate Bonds, 100% of the principal amount thereof,

plus, in each case, accrued and unpaid interest to the redemption date.

(b) The Issuer shall (i) provide the Trustee with Written Notice of the Early Termination Payment Date as provided in Section 7.11(b), and (ii) as of the first day of the Month prior to a Mandatory Purchase Date, direct the Trustee to send a conditional notice of redemption pursuant to Section 4.4 in the event that a Failed Remarketing may occur.

Section 4.2 Sinking Fund Redemption. The Series 2025 Bonds maturing _____, 20__ shall be subject to redemption prior to their stated maturity in part (by lot) from Sinking Fund Installments, at a Redemption Price equal to the principal amount thereof, without premium, plus accrued interest to the date of redemption, on each of the dates set forth below and in the following amounts:

Date	*Sinking Fund Installment*	*Date*	*Sinking Fund Installment*

*

* Stated Maturity

Section 4.3 Optional Redemption.

(a) The Series 2025 Bonds are subject to redemption at the option of the Issuer in whole or in part (in such amounts and by such maturities as may be specified by the Issuer and by lot within a maturity) on any date at a Redemption Price, calculated by a quotation agent selected by the Issuer, equal to the greater of:

(i) the sum of the present values of the remaining unpaid payments of principal and interest to be paid on the Series 2025 Bonds to be redeemed from and including the date of redemption (not including any portion of the interest accrued and unpaid as of the redemption date) to the earlier of the stated maturity date(s) of such Series 2025 Bonds or the Series 2025 Mandatory Purchase Date, discounted to the date of redemption on a semiannual basis at a discount rate equal to the Applicable Tax-Exempt Municipal Bond Rate for such Series 2025 Bonds minus [0.25]% per annum, provided, however, that if the Applicable Tax Exempt Municipal Bond Rate results in a discount rate less than zero percent (0%), such discount rate shall be zero percent (0%) in any event; and

(ii) the Amortized Value thereof;

in each case plus accrued and unpaid interest to the date of redemption at the Fixed Rate or an Increased Interest Rate, whichever is then in effect.

(b) The Series 2025 Bonds maturing on and after the Series 2025 Mandatory Purchase Date are subject to redemption at the option of the Issuer in whole or in part on and after the first Business Day of the third month preceding the Series 2025 Mandatory Purchase Date at a Redemption Price, calculated by a quotation agent selected by the Issuer, equal to the Amortized Value thereof as of the date of redemption, plus $[0.__] per $1,000 of the principal amount thereof and accrued and unpaid interest to the date of redemption, provided that, if the optional redemption date is the Mandatory Purchase Date, the Redemption Price shall be the principal amount thereof plus accrued and unpaid interest to the date of redemption.

(c) Reserved.

(d) The Issuer shall provide Written Notice of the identity of the quotation agent to the Trustee.

(e) The Series 2025 Bonds shall also be subject to redemption at the option of the Issuer, as provided in a Supplemental Indenture executed in connection with a Conversion of the Bonds.

(f) In lieu of redeeming Series 2025 Bonds pursuant to this Section, the Trustee may, upon the Written Direction of the Issuer, use such funds as may be available by the Issuer or as are otherwise available hereunder to purchase such Series 2025 Bonds at a Purchase Price equal to the applicable Redemption Price of such Series 2025 Bonds. Any Series 2025 Bonds so purchased may be remarketed in a new Interest Rate Period or may be cancelled by the Trustee, in either case as set forth in the Written Direction of the Issuer.

Section 4.4 Redemption Notice. When the Trustee receives Written Notice from the Issuer, in the form of Exhibit D hereto, of the Issuer's election or direction to optionally redeem Bonds, the Trustee shall give notice, at the expense and for and on behalf of the Issuer, substantially in the form attached to Exhibit D, or when redemption of Bonds is authorized or required (a) pursuant to Section 4.1, or (b) other than at the election or direction of the Issuer pursuant to Section 4.7, the Trustee shall give notice, at the expense and for and on behalf of the Issuer (substantially in the form attached to Exhibit E with respect to an extraordinary redemption pursuant to Section 4.1(a)) hereto, of the redemption of such Bonds by first-class mail, postage prepaid, (i) for Fixed Rate Bonds, not less than twenty (20) days (fifteen (15) days in the case of redemption pursuant to Section 4.1) (or such shorter time as may be permitted by the Securities Depository) and not more than forty-five (45) days (30 days in the case of redemption pursuant to Section 4.1) prior to the redemption date and (ii) for Variable Rate Bonds, not less than 20 days (fifteen (15) days in the case of redemption pursuant to Section 4.1) (or such shorter time as may be permitted by the Securities Depository) and not more than thirty (30) days prior to the redemption date, to the registered owner of each Bond being redeemed, at its address as it appears on the bond registration books of the Trustee or at such address as such registered owner may have filed with the Trustee for that purpose, as of the Regular Record Date. In case of a redemption pursuant to Section 4.1, the notice of redemption of the Series 2025 Bonds may (A) include a statement that, if the Series 2025 Bonds are not redeemed for any reason, the Series 2025 Bonds shall be subject to mandatory tender for purchase on the Series 2025 Mandatory Purchase Date, and (B) be combined with notice of the mandatory tender of the Series 2025 Bonds on the Series 2025 Mandatory Purchase Date pursuant to Section 4.16.

Each notice of redemption shall identify the Bonds to be redeemed and shall state (i) the redemption date, (ii) the Redemption Price or the manner in which it will be calculated, (iii) that the Bonds called for redemption must be surrendered to collect the Redemption Price, (iv) the address or addresses of the Trustee at which the Bonds redeemed must be surrendered, and (v) that interest on the Bonds called for redemption ceases to accrue on the redemption date.

With respect to any notice of optional redemption of Bonds, unless upon the giving of such notice such Bonds shall be deemed to have been paid within the meaning of Section 12.1 of this Indenture, such notice shall state that such redemption shall be conditioned upon the receipt by the Trustee on or prior to the date fixed for such redemption of money sufficient to pay the Redemption

Price of and interest on the Bonds to be redeemed, and that if such money shall not have been so received said notice shall be of no force and effect, and the Issuer shall not be required to redeem such Bonds. In the event that such notice of redemption contains such a condition and such money is not so received, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such money was not so received and that such redemption was not made.

In the event that the Series 2025 Bonds may be subject to extraordinary redemption as a result of a Failed Remarketing that could occur if the Trustee has not received the Purchase Price of the Series 2025 Bonds by 12:00 noon, New York City time, on the fifth Business Day preceding a Mandatory Purchase Date, a notice of extraordinary redemption of the Series 2025 Bonds pursuant to this Section 4.4 may be a conditional notice of redemption, delivered in each case not less than fifteen (15) days prior to such Mandatory Purchase Date, stating that: (a) such redemption shall be conditioned upon the Trustee's failure to receive, by 12:00 noon, New York City time, on the fifth Business Day preceding such Mandatory Purchase Date, the Purchase Price of the Series 2025 Bonds required to be purchased on such Mandatory Purchase Date, and (b) if the full amount of the Purchase Price has been received by the Trustee by 12:00 noon, New York City time, on the fifth Business Day preceding such Mandatory Purchase Date, the Series 2025 Bonds shall be purchased pursuant to Section 4.13 or Section 4.14 hereof on such Mandatory Purchase Date rather than redeemed. If the full amount of the Purchase Price has been received by the Trustee by 12:00 noon, New York City time, on the fifth Business Day preceding such Mandatory Purchase Date, the Trustee shall withdraw such conditional notice of redemption prior to such Mandatory Purchase Date and the Series 2025 Bonds shall be purchased pursuant to Section 4.13 or Section 4.14 hereof on such Mandatory Purchase Date rather than redeemed.

Failure of the registered owner of any Bonds which are to be redeemed to receive any such notice, or any defect in such notice, shall not affect the validity of the proceedings for the redemption of any other Bonds as to which proper notice was given as provided herein. In the case of a redemption of the Bonds due to a Failed Remarketing pursuant to Section 4.1(a), notice of redemption shall be deemed given by the notice of mandatory tender required to be given under Section 4.16 for the mandatory tender of Bonds pursuant to Section 4.13 and the Trustee shall not be required to give a separate notice of such redemption.

Section 4.5 Bonds Redeemed in Part. Upon surrender of a Bond redeemed in part, the Issuer will execute and the Trustee will authenticate and deliver to the Holder thereof a new Bond or Bonds in Authorized Denominations equal in principal amount to the unredeemed portion of the Bond surrendered. Notwithstanding anything herein to the contrary, so long as the Bonds are held in the Book-Entry System the Bonds will not be delivered as set forth above; rather transfers of Beneficial Ownership of such Bonds to the Person indicated above will be effected on the registration books of the Securities Depository pursuant to its rules and procedures.

Section 4.6 Redemption at the Election or Direction of the Issuer. In the case of any redemption of Bonds at the election or direction of the Issuer, the Issuer shall give Written Notice to the Trustee of its election or direction so to redeem, the Series, Maturity Dates, principal amounts by Maturity Dates and CUSIP numbers of the Bonds to be redeemed, the Redemption Price or the manner in which it will be calculated for each Maturity Date of Bonds to be redeemed, and the date on which such Bonds are to be redeemed, and directing the Trustee to provide notice of such redemption to the Owners of such Bonds pursuant to Section 4.4 (maturities and principal amounts thereof to be redeemed shall be determined by the Issuer in its sole discretion), at least thirty-five

(35) days prior to the applicable redemption date or such lesser notice as shall be agreed to by the Trustee. In the event notice of redemption shall have been given as in Section 4.4 provided, there shall be paid on or prior to the redemption date to the appropriate Paying Agents an amount in cash which, in addition to other moneys, if any, available therefor held by such Paying Agents, will be sufficient to redeem on the redemption date at the Redemption Price thereof, plus interest accrued and unpaid to the redemption date, all of the Bonds to be redeemed. The Issuer shall promptly notify the Trustee in writing of all such payments by it to such Paying Agents.

Section 4.7 Redemption Other than at the Issuer's Election or Direction. Whenever by the terms of this Indenture the Trustee is required or authorized to redeem Bonds other than at the election or direction of the Issuer, the Trustee shall (a) select the Bonds or portions of Bonds to be redeemed, (b) give the notice of redemption and (c) pay out of moneys available therefor the Redemption Price thereof, plus interest accrued and unpaid to the redemption date, to the appropriate Paying Agents in accordance with the terms of this Article IV and, to the extent applicable, Section 5.7 and Section 5.8.

Section 4.8 Selection of Bonds to Be Redeemed. If less than all of the Bonds of like maturity and Series shall be called for redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot in such manner as the Trustee shall determine, in its sole discretion, from Bonds not previously called for redemption; provided, however, that the portion of any Bond of a denomination of more than a minimum Authorized Denomination to be redeemed shall be in the principal amount of such minimum Authorized Denomination or a multiple thereof, and that, in selecting portions of such Bonds for redemption, the Trustee shall treat each such Bond as representing that number of Bonds of a minimum Authorized Denomination which is obtained by dividing by such minimum Authorized Denomination the principal amount of such Bond to be redeemed in part (and, provided, further, however, that any Bonds held in the Book-Entry System shall be subject to the rules and procedures of the Securities Depository).

Section 4.9 Payment of Redeemed Bonds. Notice having been given in the manner provided in Section 4.4, and, in the case of optional redemption, moneys for payment of the Redemption Price of, together with interest accrued to the redemption date on, the Bonds or portions thereof so called for redemption being held by the Trustee, the Bonds or portions thereof so called for redemption shall become due and payable on the redemption date so designated at the Redemption Price, plus interest accrued and unpaid to the redemption date, and, upon presentation and surrender thereof at the office specified in such notice, such Bonds, or portions thereof, shall be paid at the Redemption Price, plus interest accrued and unpaid to the redemption date. If there shall be drawn for redemption less than all of a Bond, the Issuer shall execute and the Trustee shall authenticate and the Paying Agent shall deliver, upon the surrender of such Bond, without charge to the Owner thereof, for the unredeemed balance of the principal amount of the Bonds so surrendered, Bonds of like maturity in any of the Authorized Denominations. If, on the redemption date, moneys for the redemption of all the Bonds or portions thereof of any like maturity to be redeemed, together with interest to the redemption date, shall be held by the Paying Agents so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the redemption date interest on the Bonds or portions thereof of so called for redemption shall cease to accrue and become payable. If said moneys shall not be so available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption. Upon the payment of the Redemption Price of and any accrued interest on the Bonds being redeemed, each check or other transfer of funds issued

for such purpose shall bear the CUSIP number identifying, by maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Section 4.10 Cancellation and Destruction of Bonds. All Bonds paid or redeemed either at or before maturity shall be delivered to the Trustee when such payment or redemption is made, and such Bonds, together with all Bonds purchased or redeemed pursuant to Section 5.11(c) that have been delivered to the Trustee for application as a credit against Sinking Fund Installments and all Bonds purchased by the Trustee pursuant to the Written Direction of the Issuer, shall thereupon be promptly cancelled (or deemed to have been cancelled). Bonds so cancelled may, to the extent permitted by law, at any time be destroyed by the Trustee, in a manner it deems appropriate.

Section 4.11 Optional Tender During Daily or Weekly Interest Rate Periods.

(a) During any Daily Interest Rate Period or Weekly Interest Rate Period for a Series of Bonds, any Eligible Bond of such Series shall be purchased from its Owner at the option of the Owner on any Business Day at the applicable Purchase Price, payable in immediately available funds, upon delivery to the Trustee at its designated corporate trust office for delivery of notices and the Remarketing Agent of an irrevocable written notice which states the name of the Owner, the principal amount and the date on which the same shall be purchased, which date shall be a Business Day not prior to the seventh day next succeeding the date of the delivery of such notice to the Trustee. Any notice delivered to the Trustee after 4:00 p.m., New York City time, shall be deemed to have been received on the next succeeding Business Day. Payment of such Purchase Price shall be made from the sources and in the order of priority set forth in Section 4.15(e) on the date specified in such notice, provided such Bond is delivered, at or prior to 10:00 a.m., New York City time, on the date specified in such notice, to the Trustee at its designated corporate trust office, accompanied by an instrument of transfer thereof, in form satisfactory to the Trustee, executed in blank by the Owner thereof or by the Owner's duly-authorized attorney, with such signature guaranteed by a commercial bank, trust company or member firm of the New York Stock Exchange.

(b) So long as the Bonds are registered in the name of Cede & Co., as nominee for DTC, only direct or indirect Participants may give notice of the election to tender Bonds or portions thereof and the Beneficial Owners shall not have the right to tender Bonds directly to the Trustee, except through such Participants.

Section 4.12 Mandatory Tender for Purchase on Day Next Succeeding the Last Day of Each CP Interest Term. On the day next succeeding the last day of each CP Interest Term for an Eligible Bond in a Commercial Paper Interest Rate Period, unless such day is the first day of a new Interest Rate Period for such Bond (in which event such Bond shall be subject to mandatory purchase pursuant to Section 4.14), such Bond shall be purchased from its Owner at the applicable Purchase Price payable in immediately available funds, provided such Bond is delivered to the Trustee on or prior to 10:00 a.m., New York City time, on such day, or if delivered after 10:00 a.m., New York City time, on the next succeeding Business Day; provided, however, that in any event such Bond will not bear interest at the CP Interest Term Rate after the last day of the applicable CP Interest Term. The Purchase Price of any Bond so purchased shall be payable from the sources and in the order of priority set forth in Section 4.15(e) only upon surrender of such Bond to the Trustee at its designated corporate trust office, accompanied by an instrument of transfer thereof, in form satisfactory to the Trustee, executed in blank by the Owner thereof or by the Owner's duly-authorized attorney, with such signature guaranteed by a commercial bank, trust company or member firm of the New York Stock Exchange.

Section 4.13 Mandatory Tender for Purchase on the Index Rate Tender Date or Fixed Rate Tender Date. On the Index Rate Tender Date or Fixed Rate Tender Date for a Series of Bonds, unless such day is the first day of a new Interest Rate Period for such Bonds (in which event such Bonds shall be subject to mandatory purchase pursuant to Section 4.14), each Eligible Bond of such Series shall be purchased from the Owner thereof at the applicable Purchase Price, payable in immediately available funds, provided such Bond is delivered to the Trustee on or prior to 10:00 a.m., New York City time, on such day, or if delivered after 10:00 a.m., New York City time, on the next succeeding Business Day; provided, however, that in any event such Bond will not bear interest at the applicable Index Rate or Fixed Rate after the last day of the applicable Index Rate Period or Fixed Rate Period, respectively. The Purchase Price of any Bond so purchased shall be payable from the sources and in the order of priority specified in Section 4.15(e) only upon surrender of such Bond to the Trustee at its designated corporate trust office, accompanied by an instrument of transfer thereof, in form satisfactory to the Trustee, executed in blank by the Owner thereof or by the Owner's duly-authorized attorney, with such signature guaranteed by a commercial bank, trust company or member firm of the New York Stock Exchange. The Series 2025 Bonds shall be subject to mandatory tender pursuant to this Section 4.13 on the Series 2025 Mandatory Purchase Date.

Section 4.14 Mandatory Tender for Purchase on Conversion of Interest Rate Period. Eligible Bonds of a Series shall be subject to mandatory tender for purchase upon the Conversion of the Interest Rate Period for such Bonds pursuant to Section 2.5(b), Section 2.6(b), Section 2.7(b), Section 2.8(b), or Section 2.9(c) on the first day of such Interest Rate Period (or on the day which would have been the first day of an Interest Rate Period for such Bonds had one of the events specified in Section 2.10(c) or, if applicable, Section 2.7(b), not occurred which resulted in the Interest Rate Period not being converted) at the applicable Purchase Price, payable in immediately available funds. The Purchase Price of any Bond so purchased shall be payable from the sources and in the order of priority specified in Section 4.15(e) only upon surrender of such Bond to the Trustee at its designated corporate trust office, accompanied by an instrument of transfer thereof, in form satisfactory to such Trustee, executed in blank by the Owner thereof or by the Owner's duly-authorized attorney, with such signature guaranteed by a commercial bank, trust company or member firm of the New York Stock Exchange at or prior to 10:00 a.m., New York City time, on the date specified for such delivery in this paragraph or in the notice provided pursuant to Section 2.10.

Section 4.15 General Provisions Relating to Tenders.

(a) Creation of Bond Purchase Fund.

(i) There shall be created and established hereunder with the Trustee a fund to be designated the "Bond Purchase Fund" to be held in trust only for the benefit of the Owners of tendered Bonds who shall thereafter be restricted exclusively to the moneys held in such fund for the satisfaction of any claim for the Purchase Price of such tendered Bonds. The Bond Purchase Fund and the Accounts therein are not Pledged Funds.

(ii) There shall be created and designated the following Accounts with respect to each Series of Bonds within the Bond Purchase Fund: the "Remarketing Proceeds Account" and the "Issuer Purchase Account." Moneys paid to the Trustee for the purchase of tendered or deemed tendered Bonds of a Series received from (A) the Remarketing Agent shall be deposited in the Remarketing Proceeds Account for such Series in accordance with the provisions of Section 4.15(d)(ii) and (B) the Issuer shall be deposited in the Issuer Purchase Account in accordance with the provisions of Section 4.15(d)(iii). Moneys provided by the Issuer not required to be used in

connection with the purchase of tendered Bonds shall be returned to the Issuer in accordance with Section 4.15(e).

(iii) Moneys in the Issuer Purchase Account and the Remarketing Proceeds Account with respect to a Series of Bonds shall not be commingled with other funds held by the Trustee and shall remain uninvested. The Issuer shall have no right, title or interest in any of the funds held on deposit in the Remarketing Proceeds Account or any remarketing proceeds held for any period of time by the Remarketing Agent.

(b) Deposit of Bonds. The Trustee agrees to hold all Bonds delivered to it pursuant to Section 4.11, Section 4.12, Section 4.13, or Section 4.14 in trust for the benefit of the respective Owners which shall have so delivered such Bonds until moneys representing the Purchase Price of such Bonds have been delivered to such Owner in accordance with the provisions of this Indenture and until such Bonds shall have been delivered by the Trustee in accordance with Section 4.15(f).

(c) Remarketing of Bonds.

(i) Immediately upon its receipt, but not later than 12:00 noon, New York City time, on the following Business Day, from an Owner of a Bond bearing interest at a Daily Interest Rate or a Weekly Interest Rate of a notice pursuant to Section 4.11, the Trustee shall notify the Remarketing Agent by Electronic Means, of such receipt, specifying the principal amount of Bonds for which it has received such notice, the names of the Owners thereof and the date on which such Bonds are to be purchased in accordance with Section 4.11.

(ii) As soon as practicable, but in no event later than 10:15 a.m., New York City time, on a Purchase Date, the Remarketing Agent shall inform the Trustee by Electronic Means, of the principal amount of Purchased Bonds to be purchased on such date, the name, address and taxpayer identification number of each such purchaser, and the Authorized Denominations in which such Purchased Bonds are to be delivered. Upon receipt from the Remarketing Agent of such information, and in no event later than 12:30 p.m., New York City time, on the Purchase Date, the Trustee shall prepare Purchased Bonds in accordance with such information received from the Remarketing Agent for the registration of transfer and redelivery to the Remarketing Agent pursuant to paragraph (f) of this Section 4.15.

(iii) Any Purchased Bonds which are subject to mandatory tender for purchase in accordance with Section 4.12, Section 4.13 or Section 4.14 which are not presented to the Trustee on the Purchase Date and any Purchased Bonds which are the subject of a notice pursuant to Section 4.16 which are not presented to the Trustee on the Purchase Date, shall, in accordance with the provisions of Section 4.16, be deemed to have been purchased upon the deposit of moneys equal to the Purchase Price thereof into any or all of the accounts of the Bond Purchase Fund.

(d) Deposits of Funds.

(i) The Trustee shall deposit into the Remarketing Proceeds Account for the applicable Series of Bonds any amounts received by it in immediately available funds by 12:30 p.m., New York City time, on any Purchase Date from the Remarketing Agent against receipt of Bonds by the Remarketing Agent pursuant to Section 4.15(f) and on account of Purchased Bonds remarketed pursuant to the terms of the Remarketing Agreement.

(ii) The Issuer may, in its sole discretion, pay to the Trustee in immediately available funds the amount equal to the difference, if any, between the total Purchase Price of Bonds to be purchased and the amount of money deposited under Section 4.15(d)(i) (the "Additional Liquidity Drawing Amount") by 12:45 p.m., New York City time. The Trustee shall deposit any Additional Liquidity Drawing Amounts into the Issuer Purchase Account for the applicable Series of Bonds.

(iii) The Trustee shall hold all proceeds received from the Remarketing Agent or the Issuer pursuant to this Section 4.15(d) in trust for the tendering Owners. In holding such proceeds and moneys, the Trustee will be acting on behalf of such Owners by facilitating the purchase of the Bonds and not on behalf of the Issuer and will not be subject to the control of the Issuer. Subject to the provisions of Section 4.15(e), following the discharge of the pledge created by Section 5.1 or after payment in full of the Bonds, the Trustee shall pay any moneys remaining in any Account of the Bond Purchase Fund directly to the Persons for whom such money is held upon presentation of evidence reasonably satisfactory to the Trustee that such Person is rightfully entitled to such money and the Trustee shall not pay such amounts to any other Person.

(e) Disbursements; Payment of Purchase Price. Moneys delivered to the Trustee on a Purchase Date shall be applied at or before 1:00 p.m., New York City time, on such Purchase Date to pay the Purchase Price of Purchased Bonds of the applicable Series in immediately available funds as follows in the indicated order of application and, to the extent not so applied on such date, shall be held in the separate and segregated Accounts of the Bond Purchase Fund for the benefit of the Owners of the Purchased Bonds which were to have been purchased:

First: Moneys deposited in the Remarketing Proceeds Account for the Bonds of the applicable Series; and

Second: Moneys deposited in the Issuer Purchase Account for the Bonds of the applicable Series.

Any moneys held by the Trustee in the Issuer Purchase Account remaining unclaimed by the Owners of the Purchased Bonds which were to have been purchased for two years after the respective Purchase Date for such Bonds shall, subject to any applicable law regarding escheatment of funds, be paid to the Issuer, upon a request in a Written Direction of the Issuer against written receipt therefor. The Owners of Purchased Bonds who have not yet claimed money in respect of such Bonds shall thereafter be entitled to look only to the Trustee, to the extent it shall hold moneys on deposit in the Bond Purchase Fund, or the Issuer to the extent moneys have been transferred in accordance with this Section 4.15(e). The Trustee shall have no obligation to advance its own funds to fund the Bond Purchase Fund or otherwise pay the Purchase Price on any Bonds.

(f) Delivery of Purchased Bonds.

(i) The Remarketing Agent shall give notice by Electronic Means to the Trustee on each date on which Bonds shall have been purchased pursuant to Section 4.11, Section 4.12, Section 4.13, or Section 4.14, specifying the principal amount of such Bonds, if any, sold by it and a list of such purchasers showing the names and Authorized Denominations in which such Bonds shall be registered, and the addresses and social security or taxpayer identification numbers of such purchasers. By 12:30 p.m., New York City time, on the Purchase Date, a principal amount of Bonds equal to the amount of Purchased Bonds purchased with moneys from the

Remarketing Proceeds Account shall be made available by the Trustee to the Remarketing Agent against payment therefor in immediately available funds. The Trustee shall prepare each Bond to be so delivered in such names as directed by the Remarketing Agent pursuant to paragraph (c)(ii) of this Section 4.15.

(ii) A principal amount of Bonds equal to the amount of Purchased Bonds purchased from moneys on deposit in the Issuer Purchase Account shall be delivered on the day of such purchase by the Trustee to or as directed by the Issuer. The Trustee shall register such Bonds in the name of the Issuer or as otherwise directed by the Issuer.

Section 4.16 Notice of Mandatory Tender for Purchase. In connection with any mandatory tender for purchase of Bonds in accordance with Section 4.12, Section 4.13 or Section 4.14, the Trustee shall give the notice (which in the case of a mandatory tender pursuant to Section 4.14 shall be given as a part of the notice given pursuant to Section 2.6(c), Section 2.7(c), Section 2.8(c) or Section 2.9(c)) stating: (a) that the Purchase Price of any Bond so subject to mandatory tender for purchase shall be payable only upon surrender of such Bond to the Trustee at its designated corporate trust office, accompanied by an instrument of transfer thereof in form satisfactory to the Trustee, executed in blank by the Owner thereof or by the Owner's duly-authorized attorney, with such signature guaranteed by a commercial bank, trust company or member firm of the New York Stock Exchange; (b) that all Bonds so subject to mandatory tender for purchase shall be purchased on the Mandatory Purchase Date unless (i) a Failed Remarketing shall have occurred prior to a Mandatory Purchase Date occurring at the end of any Interest Rate Period, in which case such Bonds shall be redeemed pursuant to Section 4.1 rather than purchased on such Mandatory Purchase Date, or (ii) such Bonds shall have otherwise been redeemed on or prior to, or are not Outstanding as of, such Mandatory Purchase Date; and (c) that in the event that any Owner of a Bond so subject to mandatory tender for purchase shall not surrender such Bond to the Trustee for purchase on such Mandatory Purchase Date, then such Bond shall be deemed to be an Undelivered Bond, and that no interest shall accrue thereon on and after such Mandatory Purchase Date and that the Owner thereof shall have no rights under this Indenture other than to receive payment of the Purchase Price thereof. Any such notice of a mandatory tender of Bonds pursuant to Section 4.12, Section 4.13 or Section 4.14 shall be given no less than 30 days prior to the applicable Mandatory Purchase Date, and in addition, the Trustee shall give a conditional notice of extraordinary redemption pursuant to Section 4.4 no later than the applicable deadlines set forth in that Section to provide for the extraordinary redemption of the Bonds in the event that a Failed Remarketing occurs prior to the Mandatory Purchase Date. No later than five (5) Business Days prior to the date on which such conditional notice of extraordinary redemption is required to be given by the Trustee pursuant to Section 4.4, the Issuer shall direct the Trustee to send such conditional redemption notice pursuant to a Written Direction in the form attached hereto as Exhibit E, which Written Direction shall include the applicable Redemption Date and method(s) for calculating the Redemption Price, to be followed by notice of the Redemption Price, as provided in Exhibit E.

Section 4.17 Irrevocable Notice Deemed to Be Tender of Bond; Undelivered Bonds.

(a) The giving of notice by an Owner of a Bond bearing interest at a Daily Interest Rate or a Weekly Interest Rate pursuant to Section 4.11 shall constitute the irrevocable tender for purchase of each such Bond with respect to which such notice shall have been given, regardless of whether such Bond is delivered to the Trustee for purchase on the relevant Purchase Date as provided in this Article IV.

(b) The Trustee may refuse to accept delivery of any Purchased Bonds for which a proper instrument of transfer, with a satisfactory guaranty of signature, has not been provided; such refusal, however, shall not affect the validity of the purchase of such Bond as herein described. For purposes of this Article IV, the Trustee for the Bonds shall determine timely and proper delivery of Purchased Bonds and the proper endorsement of such Bonds. Such determination shall be binding on the Owners of such Bonds, the Issuer and the Remarketing Agent, absent manifest error. If any Owner of a Bond who shall have given notice of tender of purchase pursuant to Section 4.11 or any Owner of a Bond subject to mandatory tender for purchase pursuant to Section 4.12, Section 4.13 or Section 4.14 shall fail to deliver such Bond to the Trustee at the place and on the applicable date and at the time specified, or shall fail to deliver such Bond properly endorsed, such Bond shall constitute an Undelivered Bond. If funds in the amount of the Purchase Price of the Undelivered Bond are available for payment to the Owner thereof on the date and at the time specified, from and after the date and time of that required delivery, (i) the Undelivered Bond shall be deemed to be purchased and shall no longer be deemed to be Outstanding under this Indenture; (ii) interest shall no longer accrue thereon; and (iii) funds in the amount of the Purchase Price of the Undelivered Bond shall be held by the Trustee for such Bond for the benefit of the Owner thereof, to be paid on delivery (and proper endorsement) of the Undelivered Bond to the Trustee at its designated corporate trust office. Any funds held by the Trustee as described in clause (iii) of the preceding sentence shall be held uninvested.

Section 4.18 Remarketing of Bonds; Notice of Interest Rates.

(a) Upon a mandatory tender or notice of the tender for purchase of Bonds, the Remarketing Agent shall offer for sale and use its best efforts to sell such Bonds subject to conditions in the Remarketing Agreement, any such sale to be made on the Purchase Date in accordance with this Article IV at a price equal to the principal amount thereof plus accrued interest, if any, thereon to the Purchase Date. The Remarketing Agent agrees that it shall not sell any Bonds purchased pursuant to this Article IV to the Issuer or the Project Participant, or to any Person who controls, is controlled by, or is under common control with the Issuer or the Project Participant.

(b) The Remarketing Agent shall determine the rate of interest to be borne by the Bonds bearing interest at a Daily Interest Rate, Weekly Interest Rate, CP Interest Term Rates or a Fixed Rate and the CP Interest Terms for each Bond during each Commercial Paper Interest Rate Period, and the Calculation Agent shall determine the rate of interest to be borne by each Series of Bonds bearing interest at an Index Rate, all as provided in Article II, and shall furnish to the Trustee and to the Issuer upon request, in a timely fashion by Electronic Means, each rate of interest and CP Interest Term so determined.

(c) Anything in this Indenture to the contrary notwithstanding, if there shall have occurred and is continuing an Event of Default, there shall be no remarketing of Bonds tendered or deemed tendered for purchase.

Section 4.19 The Remarketing Agent.

(a) The Remarketing Agent shall be authorized by law to perform all the duties imposed upon it pursuant to the Remarketing Agreement. The Remarketing Agent or any successor shall signify its acceptance of the duties and obligations imposed upon it pursuant to the Remarketing Agreement by an agreement under which the Remarketing Agent will agree to:

(i) determine the interest rates applicable to the Bonds of the applicable Series and give notice to the Trustee of such rates and periods in accordance with Article II;

(ii) keep such books and records as shall be consistent with prudent industry practice; and

(iii) use its best efforts to remarket Bonds in accordance with the Remarketing Agreement.

(b) The Remarketing Agent shall hold all amounts received by it in accordance with any remarketing of Bonds in trust only for the benefit of the Owners of tendered Bonds and shall not commingle such amounts with any other moneys.

Section 4.20 Qualifications of Remarketing Agent; Resignation; Removal.

(a) Each Remarketing Agent shall be a member of the National Association of Securities Dealers, having a combined capital stock, surplus and undivided profits of at least $50,000,000 and be authorized by law to perform all the duties imposed upon it by this Indenture. Any successor Remarketing Agent shall have senior unsecured long-term debt which shall be rated by each Rating Agency.

(b) A Remarketing Agent may at any time resign and be discharged of the duties and obligations created by the Remarketing Agreement by giving notice to the Trustee and the Issuer. No such resignation or removal shall be effective until a successor has been appointed and has accepted such duties. A Remarketing Agent may be removed at the direction of the Issuer at any time on 30 days' prior written notice, in a Written Direction of the Issuer, filed with such Remarketing Agent for the related Series of Bonds and the Trustee.

Section 4.21 Successor Remarketing Agents.

(a) Any corporation, association, partnership or firm which succeeds to the business of the Remarketing Agent as a whole or substantially as a whole, whether by sale, merger, consolidation or otherwise, shall thereby become vested with all the property, rights and powers of such Remarketing Agent hereunder.

(b) In the event that the Remarketing Agent has given notice of resignation or has been notified of its impending removal in accordance with Section 4.20(b), the Issuer shall appoint a successor Remarketing Agent.

(c) In the event that the property or affairs of the Remarketing Agent shall be taken under control of any state or federal court or administrative body because of bankruptcy or insolvency, or for any other reason, and the Issuer shall not have appointed its successor, the Issuer shall appoint a successor and, if no appointment is made within thirty (30) days, the Trustee shall apply to a court of competent jurisdiction for such appointment.

Section 4.22 Tender Agent. The Trustee shall serve as the tender agent for any Series of Bonds for which optional or mandatory tender for purchase is applicable under this Article IV, and as tender agent it and each successor Trustee appointed in accordance with this Indenture shall:

(a) hold all Bonds delivered to it for purchase hereunder in trust for the exclusive benefit of the respective Owners that shall have so delivered such Bonds until moneys representing the Purchase Price of such Bonds shall have been delivered to or for the account of or to the order of such Owners;

(b) hold all moneys delivered to it hereunder for the purchase of Bonds in trust for the exclusive benefit of the Person that shall have so delivered such moneys until the Bonds purchased with such moneys shall have been delivered to it for the account of such Person and, thereafter, for the benefit of the Owners tendering such Bonds; and

(c) keep such books and records as shall be consistent with prudent industry practice and make such books and records available for inspection at all times during regular business hours (upon reasonable prior written notice of inspection, in no event with less than 30 calendar days' prior written notice) by the Issuer and the Remarketing Agent for such Series of Bonds.

ARTICLE V

ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

Section 5.1 The Pledge Effected by this Indenture.

(a) The Bonds and the Interest Rate Swap, if any, are special obligations of the Issuer payable solely from and secured as to the payment of the principal and Redemption Price thereof, and interest thereon, in accordance with their terms and the provisions of this Indenture solely by the Trust Estate. Pursuant to the Granting Clauses of this Indenture, the Trust Estate has been conveyed, assigned and pledged to the payment of the principal and Redemption Price of and interest on the Bonds and the Interest Rate Swap, if any, in accordance with their terms, and any other senior, parity and subordinate obligations of the Issuer secured by the lien of this Indenture, subject to (i) the pledge of and lien on the Commodity Swap Reserve Account in favor of the Commodity Swap Counterparty, and (ii) the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in this Indenture. The Trust Estate thereby pledged and assigned shall immediately be subject to the lien of such pledge without any further physical delivery thereof or other further act, and the lien of such pledge shall be a first lien and shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Issuer, irrespective of whether such parties have notice thereof.

(b) None of the Bonds, any Interest Rate Swap or the Issuer Commodity Swap constitute general obligations or indebtedness of the Issuer, the Commission, any political subdivision, municipality, city or town of the State or the Project Participant within the meaning of the Constitution or statutes of the State. The Bonds are special, limited obligations of the Issuer payable solely from and secured by a lien on the Trust Estate, in the manner and to the extent provided for in this Indenture. None of the Bondholders, any Interest Rate Swap Counterparty or any Commodity Swap Counterparty shall ever have the right to require or compel the exercise of the ad valorem taxing power of the State or any political subdivision thereof, or the taxation in any form on any real or personal property to pay the principal or Redemption Price of or interest on the Bonds or the amounts payable by the Issuer under any Interest Rate Swap or the Issuer Commodity Swap. Neither the full faith and credit nor the taxing power of the State, any political subdivision, municipality, city or town of the State, or the Project Participant is pledged to the payment of the

principal of, redemption premium, if any, or interest on the Bonds or the amounts payable by the Issuer under the Interest Rate Swap, if any, or the Issuer Commodity Swap. The Issuer has no taxing power.

(c) Nothing contained in this Indenture shall be construed to prevent the Issuer from acquiring, constructing or financing, through the issuance of its bonds, notes or other evidences of indebtedness, any facilities or supplies of natural gas or electricity other than the Commodity Project; provided that such bonds, notes or other evidences of indebtedness shall not be payable out of or secured by the Trust Estate or any portion thereof, and neither the cost of such facilities or supplies of natural gas or electricity nor any expenditure in connection therewith or with the financing thereof shall be payable from the Trust Estate or any portion thereof.

Section 5.2 Establishment of Funds and Accounts.

(a) The following Funds and Accounts are hereby established, each of which shall be held by the Trustee:

(i) Project Fund, consisting of the Acquisition Account and the Commodity Swap Reserve Account,

(ii) Revenue Fund,

(iii) Operating Fund,

(iv) Debt Service Fund, consisting of the Debt Service Account, the Redemption Account and the Debt Service Reserve Account,

(v) General Fund,

(vi) Commodity Remarketing Reserve Fund,

(vii) Assignment Payment Fund,

(viii) Bond Purchase Fund established pursuant to Section 4.15, consisting of the Issuer Purchase Account and the Remarketing Proceeds Account,

(ix) Swap Termination Account, and

(x) Investment Agreement Breakage Account.

(b) Within the Funds and Accounts established hereunder and held by the Trustee, the Trustee may create additional Accounts in any Fund or subaccounts in any Accounts as may facilitate the administration of this Indenture. The Issuer may, by Supplemental Indenture, establish one or more additional accounts or subaccounts. By Supplemental Indenture, the Issuer may also (i) establish custodial accounts to be held by the Trustee as custodian to receive Revenues paid by the Project Participant under the Commodity Supply Contract, and (ii) provide for the application of such amounts for transfer to the Revenue Fund and for such other purposes as may be specified therein.

Section 5.3 Project Fund.

(a) There shall be established within the Project Fund an Acquisition Account, into which the Trustee shall deposit proceeds of the Series 2025 Bonds in the amount specified in Section 2.1(b), and there may be paid into the Acquisition Account, at the option of the Issuer, any moneys received for or in connection with the Commodity Project by the Issuer from any other source, unless required to be otherwise applied as provided by this Indenture. Upon delivery of the Series 2025 Bonds, the Trustee shall immediately transfer from the Acquisition Account to the Debt Service Account the amount, if any, specified by Written Request of the Issuer, representing capitalized interest on the Series 2025 Bonds to the date set forth in such Written Request. Except as transferred to the Debt Service Account in accordance with the preceding sentence or as otherwise provided in this Section 5.3, amounts in the Acquisition Account shall be applied by the Issuer to pay the Cost of Acquisition.

(b) There shall be established within the Project Fund a Commodity Swap Reserve Account, into which the Trustee shall deposit proceeds of the Bonds in an amount equal to the Minimum Amount. Amounts credited to the Commodity Swap Reserve Account shall be applied by the Trustee to the payment of Commodity Swap Payments in the event the amounts on deposit in the Operating Fund are not sufficient to make such payments; provided that (i) in the event that the amount on deposit in the Commodity Swap Reserve Account is not sufficient to pay the Commodity Swap Payments due in any Month, the amount available in the Commodity Swap Reserve Account shall be applied pro rata to the payment of the amounts due under the Issuer Commodity Swap then in effect, (ii) any amounts in the Commodity Swap Reserve Account in excess of the Minimum Amount shall be transferred by the Trustee to the Revenue Fund, and (iii) any amounts remaining on deposit in the Commodity Swap Reserve Account on the final date for payment of the principal of the Bonds, whether upon maturity, redemption or acceleration, shall be applied to make such payment. Allocation of the sources and uses of amounts on deposit from time to time in the Commodity Swap Reserve Account shall be made in accordance with the Tax Agreement.

(c) In the event that, on or before the 23rd day of the Month, or if the 23rd day is not a Business Day, the prior preceding Business Day, and prior to the transfer in any month into the Operating Fund pursuant to Section 5.5(a)(i), the Trustee determines that after taking into account amounts to be transferred into the Operating Fund pursuant to Section 5.5(a)(i), there is a Swap Payment Deficiency, the Trustee on behalf of the Issuer shall prepare and deliver to the Commodity Supplier a Swap Deficiency Call Receivables Offer pursuant to Section 2.2(a) of the Receivables Purchase Provisions. If the Commodity Supplier elects to purchase Swap Deficiency Call Receivables pursuant to such Swap Deficiency Call Receivables Offer, which election shall not be later than the Business Day following receipt by the Commodity Supplier of the Swap Deficiency Call Receivables Offer, the Commodity Supplier shall deliver to the Trustee the Swap Deficiency Call Option Notice setting forth the purchase date, which shall not be later than the Payment Date (as defined in the Confirmation to the Issuer Commodity Swap) for the Month in which the Commodity Supplier receives the Swap Deficiency Call Receivables Offer. The Trustee is hereby authorized to sell the Swap Deficiency Call Receivables then owed by the Project Participant under the Commodity Supply Contract pursuant to the Receivables Purchase Provisions (as contemplated by this Section) and to take all actions on its part necessary in connection therewith. If the Commodity Supplier elects to purchase such Swap Deficiency Call Receivables, all amounts received by the Trustee pursuant to the Receivables Purchase Provisions in respect of Swap Deficiency Call Receivables purchased pursuant to this Section 5.3(c) shall be deposited in the Commodity Swap Reserve Account and applied to payment of Commodity Swap Payments.

(d) Within one Business Day after the Commodity Supplier delivers a Swap Deficiency Call Option Notice or is deemed not to have exercised its right to purchase Swap Deficiency Call Receivables pursuant to the last sentence of Section 2.2(b) of the Receivables Purchase Provisions, the Trustee shall deliver written notice to the Commodity Swap Counterparty indicating whether the Commodity Supplier has elected to purchase Swap Deficiency Call Receivables pursuant to the Swap Deficiency Call Receivables Offer sufficient to increase the balance in Commodity Swap Reserve Account to an amount sufficient to pay the next succeeding Commodity Swap Payment.

(e) The Trustee shall deliver to the Custodian pursuant to the Custodial Agreements, written notice as follows: (i) on any Business Day on which the Trustee delivers a Swap Deficiency Call Receivables Offer to the Commodity Supplier pursuant to Section 2.2(a) of the Receivables Purchase Provisions, written notice that a Swap Payment Deficiency exists and the amount of such Swap Payment Deficiency; (ii) on any Business Day on which the Commodity Supplier is required to make an election to purchase Swap Deficiency Call Receivables pursuant to Section 2.2(b) of the Receivables Purchase Provisions, written notice as to whether the Commodity Supplier has elected to purchase such Swap Deficiency Call Receivables and, if so, the purchase date of such Swap Deficiency Call Receivables; and (iii) if the Commodity Supplier has elected to purchase Swap Deficiency Call Receivables, on the purchase date thereof written notice that the purchase price has been received by the Trustee in immediately available funds; provided that, in addition to the foregoing, the Trustee shall deliver written notice to the Custodian if any Swap Payment Deficiency is otherwise cured on the date that such Swap Payment Deficiency is cured.

(f) Before any payment is made by the Trustee from the Acquisition Account, the Issuer shall file with the Trustee a Written Request of the Issuer, showing with respect to each payment to be made, the name of the Person to whom payment is due and the amount to be paid, and stating that the obligation to be paid was incurred and is a proper charge against the Project Fund (or the Acquisition Account therein). To the extent that the Written Request includes amounts to be paid pursuant to the Commodity Purchase Agreement, copies of the invoices or requests for direct payments submitted under the Commodity Purchase Agreement shall be attached to the Written Request. Each such Written Request shall be sufficient evidence to the Trustee: (i) that obligations in the stated amounts have been incurred by the Issuer and that each item thereof is a proper charge against the Project Fund or Acquisition Account therein; and (ii) that there has not been filed with or served upon the Issuer notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to any of the Persons named in such Written Request which has not been released or will not be released simultaneously with the payment of such obligation other than materialmen's or mechanics' liens accruing by mere operation of law.

(g) Upon receipt of each such Written Request, the Trustee shall pay the amounts set forth therein as directed by the terms thereof from the applicable Account in accordance with and subject to the applicable terms of this Section 5.3. The Trustee shall have no obligation to advance its own funds to fund the Project Fund or any Account therein or otherwise to make any payment under the Commodity Purchase Agreement or Commodity Swap.

(h) Notwithstanding any of the other provisions of this Section 5.3, to the extent that other moneys are not available therefor, amounts in the Acquisition Account shall be applied to the payment of principal of and interest on Bonds when due.

(i) Upon Written Direction of the Issuer, but not earlier than six (6) months after the date of delivery of the Bonds, the Trustee shall transfer to the Revenue Fund any amounts remaining on deposit in the Acquisition Account of the Project Fund.

Section 5.4 Revenues and Revenue Fund; Deposits of Other Amounts.

(a) All Revenues shall be deposited promptly by the Trustee upon receipt thereof into the Revenue Fund.

(b) The following amounts, which are payable to the Trustee but do not constitute Revenues, shall be applied by the Trustee as follows:

(i) any Termination Payment shall be deposited directly into the Redemption Account of the Debt Service Fund as provided in Section 5.8;

(ii) any Assignment Payment shall be deposited directly into the Assignment Payment Fund as provided in Section 5.13;

(iii) amounts received from the Commodity Supplier under the Receivables Purchase Provisions shall be deposited by the Trustee into the Debt Service Account, the Commodity Swap Reserve Account, the Redemption Account or the Operating Fund as provided herein;

(iv) any Interest Rate Swap Receipts shall be deposited directly into the Debt Service Account as provided in Section 2.13;

(v) any Seller Swap MTM Payment shall be deposited into the Swap Termination Account and applied as provided in Section 5.10(a);

(vi) any amounts required by Section 5.12 to be deposited into the Commodity Remarketing Reserve Fund shall be deposited directly therein;

(vii) any Additional Termination Payment shall be paid to, or upon written instructions provided by, the Issuer;

(viii) Ledger Event Payments received from the Commodity Supplier pursuant to Section 17.2 of the Commodity Purchase Agreement shall be deposited directly into the Debt Service Account; and

(ix) any Investment Agreement Breakage Amount payable to the Issuer shall be deposited into the Investment Agreement Breakage Account and applied as provided in Section 5.10(b).

Section 5.5 Payments from Revenue Fund.

(a) In each Month during which there is a deposit of Revenues into the Revenue Fund (but in no case later than the respective dates set forth below), the Trustee shall apply the amounts on deposit in the Revenue Fund, to the extent available, for credit or deposit to the Funds and Accounts indicated below, in the amounts described below (such application to be made in such

a manner so as to assure good funds are available on the respective dates set forth below) in the following order of priority:

(i) To the Operating Fund, not later than the 25th day of such Month, the amount, if any, required so that the balance therein shall equal the amount estimated to be necessary for the payment of Commodity Swap Payments coming due for such Month and other Operating Expenses coming due for the following Month (but no such payments or expenses for any prior Month, and in each case, as confirmed and instructed in a Written Request of the Issuer delivered to the Trustee on a timely basis); provided that, in the event that the amount on deposit in the Operating Fund is not sufficient to pay the Commodity Swap Payments due in any Month, the amount available therein shall be applied to the payment of the amounts due under the Issuer Commodity Swap then in effect;

(ii) To the Debt Service Fund, not later than the last Business Day of such Month for the credit to the Debt Service Account an amount equal to the greater of (A) the Scheduled Debt Service Deposit, as set forth in Schedule II hereto, or (B) the amount necessary to cause the cumulative Scheduled Debt Service Deposits to be on deposit therein (without credit for undisbursed Interest Rate Swap Receipts on deposit therein);

(iii) To the Commodity Swap Reserve Account in the Project Fund, not later than the last Business Day of such Month, the amount, if any, required so that the balance in the Commodity Swap Reserve Account is at least equal to the Minimum Amount;

(iv) To the Debt Service Fund, not later than the last Business Day of such Month, for deposit in the Debt Service Reserve Account, the amount, if any, required so that the balance in such Debt Service Reserve Account shall equal the Debt Service Reserve Requirement related thereto as of the last day of the then current Month; and

(v) To the Commodity Supplier, not later than the last Business Day of such Month, the amount, if any, required for the repurchase of Call Receivables and Put Receivables and the payment of interest on all receivables sold to the Commodity Supplier pursuant to the Receivables Purchase Provisions.

(b) If, after a scheduled monthly deposit to the Debt Service Account, the balance therein is below the cumulative Scheduled Debt Service Deposits for such month as specified on Schedule II, the Trustee shall (i) promptly notify the Issuer of such deficiency whereupon the Issuer shall immediately, if it has not previously done so, if the Project Participant is in default under the Commodity Supply Contract, suspend all deliveries of all quantities of natural gas or electricity to such Project Participant, and (ii) promptly give notice to the Commodity Supplier to follow the provisions set forth in the Commodity Remarketing Exhibit to the Commodity Purchase Agreement.

(c) In each Month during which (i) there is a deposit of Revenues into the Revenue Fund and (ii) payment of a Principal Installment is due, after making such transfers, credits and deposits as required by paragraph (a) above and after the applicable Principal Installment payment date, the Trustee shall credit to the General Fund the remaining balance in the Revenue Fund.

(d) On each [August 1], beginning [August 1, 2025], after making such transfers, credits and deposits as required by paragraph (a) above, the Trustee shall credit to the General Fund the remaining balance in the Revenue Fund.

(e) So long as there shall be held in the Debt Service Fund an amount sufficient to pay in full all Outstanding Bonds and Interest Rate Swap Payments in accordance with their terms (including principal or applicable Sinking Fund Installments and interest thereon), no transfers shall be required to be made to the Debt Service Fund.

Section 5.6 Operating Fund.

(a) Amounts credited to the Operating Fund shall be applied from time to time by the Trustee to the payment of (i) first, Rebate Payments then due and payable, if any, as directed in a Written Request of the Issuer delivered to the Trustee, (ii) second, Commodity Swap Payments then due and payable, if any, and (iii) third, any other Operating Expenses then due and payable, if any, as directed in a Written Request of the Issuer received by the Trustee.

(b) Amounts credited to the Operating Fund that the Trustee, on the last Business Day of each Month, determines to be in excess of the requirements of such Fund for such Month, shall be applied to make up any deficiencies first in the Debt Service Account, then in the Commodity Swap Reserve Account and then in the Debt Service Reserve Account. Any balance of such excess not required to be so applied shall be transferred to the Revenue Fund for application in accordance with Section 5.5(a).

(c) To the extent the Project Participant defaults on its obligation to make any payment under the Commodity Supply Contract with the Issuer and such payment default does not result in a Swap Payment Deficiency, then on such Business Day, the Issuer shall notify the Trustee of such payment default by Electronic Means by 2:30 p.m. and on the same Business Day the Trustee on behalf of the Issuer shall deliver an Elective Call Receivables Offer pursuant to Section 2.3(a) of the Receivables Purchase Provisions. If the Commodity Supplier elects to purchase Elective Call Receivables pursuant to such Elective Call Receivables Offer, which election shall not be later than the Business Day following receipt by the Commodity Supplier of the Elective Call Receivables Offer, the Commodity Supplier shall deliver to the Trustee the Elective Call Option Notice pursuant to Section 2.3(b) of the Receivables Purchase Provisions setting forth the purchase date, which shall not be later than the Payment Date determined by the Commodity Supplier. Upon receipt of such Elective Call Option Notice, the Trustee shall, and is hereby directed and authorized, to sell the Elective Call Receivables then owed by the Project Participant under the Commodity Supply Contract pursuant to the Receivables Purchase Provisions (as contemplated by this Section) and to take all actions on its part necessary in connection therewith. If the Commodity Supplier elects to purchase such Elective Call Receivables, all amounts received by the Trustee pursuant to the Receivables Purchase Provisions in respect of Elective Call Receivables purchased pursuant to this Section 5.6(c) shall be deposited in the Operating Fund.

Section 5.7 Debt Service Fund – Debt Service Account.

(a) The amounts deposited into the Debt Service Account pursuant to Section 2.13(a)(iii), Section 5.4(b)(viii) and Section 5.5(a)(ii) shall be held in such Account and applied to the payment of the Debt Service and Interest Rate Swap Payments payable on each Bond Payment Date.

(b) The Trustee shall pay out of the Debt Service Account (or shall pay to the Paying Agent, which in turn shall remit such payment): (i) on or before each Interest Payment Date, the amount required for the interest on the Bonds payable on such date; (ii) on or before each Bond Payment Date, the Interest Rate Swap Payments then due; (iii) on or before the Bond Payment Date on which a Principal Installment is due, the amount required for the Principal Installment payable on such date; and (iv) on or before any redemption date, the amount required for the payment of the Redemption Price of and accrued interest on such Bonds then to be redeemed; provided, however, that if with respect to any Bonds or portions thereof the amounts due on any such Bond Payment Date and/or redemption date are intended to be paid from a source other than amounts in the Debt Service Account prior to any application of amounts in the Debt Service Account to such payments, then the Trustee (after Written Notice from the Issuer to the Trustee that the Issuer intends to make payments from a source other than amounts in the Debt Service Account, which notice identifies such source and the agreement governing reimbursement for such payments) shall not pay any such amounts (or pay such amounts to the Paying Agent) until such amounts have failed to be provided from such other source at the time required and if any such amounts due are paid from such other source the Trustee shall apply the amounts in the Debt Service Account to provide reimbursement for such payment from such other source as provided in the agreement governing reimbursement of such amounts to such other source. Such amounts shall be applied by the Trustee or the Paying Agent on and after the due dates thereof. The Trustee shall also pay out of the Debt Service Account the accrued interest included in the purchase price of Bonds purchased for retirement.

(c) Amounts accumulated in the Debt Service Account with respect to any Sinking Fund Installment (together with amounts accumulated therein with respect to interest on the Bonds for which such Sinking Fund Installment was established) shall, if so directed by the Issuer in a Written Request delivered not less than 30 days before the due date of such Sinking Fund Installment, be applied by the Trustee to (i) the purchase of Bonds of the maturity for which such Sinking Fund Installment was established, (ii) the redemption at the applicable sinking fund Redemption Price of such Bonds, if then redeemable by their terms, or (iii) any combination of (i) and (ii). All purchases and redemptions of any Bonds pursuant to this subsection (c) shall be made at prices not exceeding the applicable sinking fund Redemption Price of such Bonds plus accrued interest, and such purchases shall be made in such manner as the Issuer shall direct the Trustee. The applicable sinking fund Redemption Price (or principal amount of maturing Bonds) of any Bonds so purchased or redeemed shall be deemed to constitute part of the Debt Service Account until such Sinking Fund Installment date, for the purpose of calculating the amount of such Account. As soon as practicable after the 30th day preceding the due date of any such Sinking Fund Installment, the Trustee shall proceed to call for the redemption on such due date, by giving notice as required by this Indenture, Bonds of the maturity for which such Sinking Fund Installment was established (except in the case of Bonds maturing on a Sinking Fund Installment date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment after making allowance for any Bonds purchased or redeemed pursuant to Section 5.11 which the Issuer has directed the Trustee to apply as a credit against such Sinking Fund Installment as provided in Section 5.11(c). The Trustee shall pay out of the Debt Service Account to the Paying Agent, on or before such redemption date (or maturity date), the amount required for the redemption of the Bonds so called for redemption (or for the payment of such Bonds then maturing), and such amount shall be applied by such Paying Agents to such redemption (or payment). All expenses in connection with the purchase or redemption of Bonds shall be paid by the Issuer from the Operating Fund.

All Bonds paid or redeemed, either at or before maturity, shall be delivered to the Trustee at its designated corporate trust office when such payment or redemption is made, and such Bonds, together with all Bonds purchased or redeemed pursuant to Section 5.11 that have been delivered to the Trustee for application as a credit against Sinking Fund Installments and all Bonds purchased by the Trustee, shall thereupon be promptly cancelled (or deemed to have been cancelled).

(d) Amounts accumulated in the Debt Service Account with respect to any principal amount of Bonds due on a certain future date for which no Sinking Fund Installments have been established (together with amounts accumulated therein with respect to interest on such Bonds) shall be applied by the Trustee, upon the Written Direction of the Issuer, on or prior to the due date thereof, to (i) the purchase of such Bonds or (ii) the redemption at the principal amount of such Bonds, if then redeemable by their terms. All purchases and redemptions of any Bonds pursuant to this subsection (d) shall be made at prices not exceeding the principal amount of such Bonds plus accrued interest, and such purchases and redemptions shall be made in such manner as the Issuer shall determine. The principal amount of any Bonds so purchased or redeemed shall be deemed to constitute part of the Debt Service Account until such due date, for the purpose of calculating the amount of such Account.

(e) The amount deposited in the Debt Service Account on the Issue Date of any Series of Bonds shall, if and to the extent so directed in a Written Request of the Issuer delivered to the Trustee in connection with the issuance of such Series of Bonds, be set aside and applied to the payment of interest on the Bonds and any Interest Rate Swap Payments.

(f) In the event of the refunding or defeasance of any Bonds, the Trustee shall, if directed by the Issuer in writing, withdraw from the Debt Service Account all, or any portion of, the amounts accumulated therein with respect to Debt Service on the Bonds being refunded or defeased and deposit such amounts with the Trustee to be held for the payment of the principal or Redemption Price, if applicable, and interest on the Bonds being refunded or defeased; provided that such withdrawal shall not be made unless immediately thereafter Bonds being refunded or defeased shall be deemed to have been paid pursuant to Section 12.1(b). In the event of such refunding or defeasance, the Issuer may direct the Trustee to withdraw from the Debt Service Account all, or any portion of, the amounts accumulated therein with respect to Debt Service on the Bonds being refunded or defeased and deposit such amounts in any Fund or Account hereunder; provided, however, that such withdrawal shall not be made unless the Bonds being defeased shall be deemed to have been paid pursuant to Section 12.1(b) and provided, further, that, at the time of such withdrawal, there shall exist no deficiency in any Fund or Account held hereunder.

(g) Any amount remaining in the Debt Service Account after a date for payment of a Principal Installment that is in excess of a Cumulative Scheduled Balance as shown on Schedule II shall, to the extent not required to be retained therein for purposes of making future payments as shown on Schedule II, be deposited in the Revenue Fund.

(h) In the event that, two Business Days next preceding the Final Maturity Date of the Bonds, the Trustee determines that (i) the balance in the Commodity Swap Reserve Account is less than the Minimum Amount, and/or (ii) the balance in the Debt Service Reserve Account is less than the Debt Service Reserve Requirement and sufficient funds will not be available to pay the principal of and interest on the Bonds coming due on such Final Maturity Date, the Trustee shall prepare and deliver to the Commodity Supplier and the SPE Custodian the Put Option Notice pursuant to Section 2.1(b) of the Receivables Purchase Provisions with respect to Put Receivables,

provided that the amount of Put Receivables sold pursuant to the Receivables Purchase Provisions shall not be in excess of the aggregate amount required, when taking into account other available funds under this Indenture, to (1) restore the balance in the Commodity Swap Reserve Account to an amount equal to the Minimum Amount, and (2) pay the maturing principal amount of and interest on the Bonds in full. On or before two Business Days next preceding such Final Maturity Date, the Trustee shall deliver to the Commodity Supplier the bill of sale and certificates required by Section 2.4(b) of the Receivables Purchase Provisions. The Trustee is hereby authorized to sell the Put Receivables then owed by the Project Participant under the Commodity Supply Contract pursuant to the Receivables Purchase Provisions (as contemplated by this Section) and to take all actions on its part necessary in connection therewith. All amounts received by the Trustee pursuant to the Receivables Purchase Provisions in respect of Put Receivables sold pursuant to this Section 5.7(h) to fund amounts then due under the Issuer Commodity Swap shall be deposited in the Commodity Swap Reserve Account, and all amounts received by the Trustee pursuant to the Receivables Purchase Provisions in respect of Put Receivables sold pursuant to this Section 5.7(h) to fund Debt Service shall be deposited in the Debt Service Account and applied to payment of principal of and interest on the Bonds on the Final Maturity Date. At all times, the Trustee, but only as directed by the Issuer pursuant to this paragraph (h), shall direct the SPE Custodian to invest amounts on deposit under the SPE Master Custodial Agreement in the Prepay LLC Put Receivables Account (as defined in the SPE Master Custodial Agreement) in Qualified Investments that mature or are payable not later than such times as shall be necessary to provide moneys when needed for payments to be made from the Prepay LLC Put Receivables Account. Consistent with the requirements for Qualified Investments as set forth immediately above, the Issuer hereby directs the Trustee to so provide for all such amounts on deposit in the Prepay LLC Put Receivables Account to be invested in either (i) money market funds meeting the requirements of paragraph (h) under Qualified Investments or (ii) in any other Qualified Investment as may be directed by the Issuer under a Written Direction. To the extent any amounts become due from the Commodity Supplier in respect of any Put Receivables, the Trustee shall notify the SPE Custodian pursuant to the terms of the Receivables Purchase Provisions and the SPE Master Custodial Agreement of the amounts so due and the account where such amounts should be deposited such that those amounts will be paid directly from the Prepay LLC Put Receivables Account to the appropriate account under this Indenture.

Section 5.8 Debt Service Fund – Redemption Account.

(a) In the event of an early termination of the Commodity Purchase Agreement and the establishment of an Early Termination Payment Date, the Issuer shall direct the Commodity Supplier to pay the Termination Payment directly to the Trustee for the account of the Issuer. The Trustee shall deposit the Termination Payment into the Redemption Account. Amounts deposited into the Redemption Account shall be applied by the Trustee to the redemption of Outstanding Bonds pursuant to Section 4.1.

(b) In the event that two Business Days next preceding the Early Termination Payment Date, the Trustee determines that (i) the balance in the Commodity Swap Reserve Account is less than the Minimum Amount, and/or (ii) the balance in the Debt Service Reserve Account is less than the Debt Service Reserve Requirement and sufficient funds will not be available to pay the Redemption Price of and interest on the Bonds coming due on the redemption date of the Bonds (as established pursuant to Section 4.1), the Trustee shall prepare and deliver to the Commodity Supplier and the SPE Custodian the Put Option Notice pursuant to Section 2.1(a) of the Receivables Purchase Provisions with respect to Put Receivables, provided that the amount of Put Receivables sold pursuant to the Receivables Purchase Provisions shall not be in excess of the aggregate amount

required, when taking into account other available funds under this Indenture, to restore the balance in the Commodity Swap Reserve Account to an amount equal to the Minimum Amount, and pay the maturing principal amount of and interest on the Bonds in full. On or before two Business Days next preceding the redemption date of the Bonds, the Trustee shall deliver to the Commodity Supplier the bill of sale and certificates required by Section 2.4(b) of the Receivables Purchase Provisions. The Trustee is hereby authorized to sell the Put Receivables then owed by the Project Participant under the Commodity Supply Contract pursuant to the Receivables Purchase Provisions (as contemplated by this Section) and to take all actions on its part necessary in connection therewith. All amounts received by the Trustee pursuant to the Receivables Purchase Provisions in respect of Put Receivables sold pursuant to this Section 5.8(b) to fund the redemption of the Bonds shall be deposited in the Redemption Account and applied to payment of the Redemption Price of and interest on the Bonds on the applicable redemption date. Amounts deposited into the Redemption Account shall be applied by the Trustee to the payment of the Redemption Price of and interest on the Bonds pursuant to Section 4.1.

(c) Any amounts remaining on deposit in the Redemption Account following the redemption and payment of all Outstanding Bonds shall be applied by the Trustee first, to pay any remaining amounts due under the Issuer Commodity Swap after the application of amounts on deposit in the Commodity Swap Reserve Account, second, to pay any amounts, including interest, due to the Commodity Supplier under Receivables Purchase Provisions pursuant to a Written Request of the Issuer pursuant to the terms of the Receivables Purchase Provisions, and third, upon Written Direction of the Issuer to the Trustee, shall be transferred to the Revenue Fund.

(d) No Extraordinary Expenses shall be paid from the Redemption Account.

Section 5.9 Debt Service Fund – Debt Service Reserve Account.

(a) There shall be deposited in the Debt Service Reserve Account, from proceeds of the Bonds, an amount equal to the Debt Service Reserve Requirement.

(b) No Commodity Swap Counterparty shall have any claim upon the amounts on deposit in the Debt Service Reserve Account and no Commodity Swap Payments or Extraordinary Expenses shall be made from the Debt Service Reserve Account.

(c) If the Project Participant fails to make a payment when due under the Commodity Supply Contract, the Trustee shall, not later than the next Business Day following such nonpayment, give notice to the Issuer of such default and the amount of the nonpayment. On the last Business Day of the Month, the Trustee shall withdraw from the Debt Service Reserve Account and deposit into the Debt Service Account an amount equal to any deficiency that exists therein as a result of such nonpayment.

(d) If, as a result of any draw on the Debt Service Reserve Account pursuant to Section 5.9(c) above, the amount on deposit in the Debt Service Reserve Account is less than the Debt Service Reserve Requirement then in effect, the Trustee and the Issuer shall take the actions required by Section 7.10(b).

(e) Whenever the moneys on deposit in the Debt Service Reserve Account shall exceed the Debt Service Reserve Requirement, such excess shall be transferred by the Trustee to the Revenue Fund.

(f) Whenever the amount in the Debt Service Reserve Account, together with the amounts in the Debt Service Account, are sufficient to pay in full all Outstanding Bonds in accordance with their terms (including the maximum amount of principal or applicable Sinking Fund Installment and interest which could become payable thereon) and all amounts payable under the Interest Rate Swap in accordance with its terms, the funds on deposit in the Debt Service Reserve Account shall be transferred to the Debt Service Account and no further deposits shall be required to be made into the Debt Service Reserve Account. Prior to said transfer, all investments held in the Debt Service Reserve Account shall be liquidated to the extent necessary in order to provide for the timely payment of principal or Redemption Price, if applicable, and interest on the Bonds.

(g) In the event of the defeasance of any Bonds, the Trustee, if the Issuer so directs in writing, may withdraw from the Debt Service Reserve Account a pro rata portion of the amounts accumulated therein applicable to the Bonds being defeased and deposit such amounts with itself as Trustee for the Bonds being defeased to be held for the payment of the principal or Redemption Price, if applicable, and interest on the Bonds being defeased; provided that such withdrawal shall not be made unless immediately thereafter the Bonds being defeased shall be deemed to have been paid pursuant to Section 12.1(b). In the event of such defeasance, the Issuer may also direct the Trustee to withdraw from the Debt Service Reserve Account all or any portion of the amounts accumulated therein and deposit such amounts in any Fund or Account hereunder; provided that such withdrawal shall not be made unless the Bonds being defeased shall be deemed to have been paid pursuant to Section 12.1(b); and provided further, that, at the time of such withdrawal, there shall exist no deficiency in any Fund or Account held hereunder.

Section 5.10 Termination and Breakage Accounts.

(a) Upon receipt of a Written Request of the Issuer, the Trustee shall deposit any Seller Swap MTM Payment into the Swap Termination Account and immediately upon receipt pay the same to the Commodity Supplier pursuant to Section 17.6 of the Commodity Purchase Agreement.

(b) The Trustee shall deposit any Investment Agreement Breakage Amount received from the Commodity Supplier pursuant to Section 17.4(g) of the Commodity Purchase Agreement into the Investment Agreement Breakage Account and immediately upon receipt pay the same to the provider of the Specified Investment Agreement. The Trustee shall deposit any Investment Agreement Breakage Amount received from the provider of the Specified Investment Agreement into the Investment Agreement Breakage Account and immediately upon receipt pay the same to the Commodity Supplier pursuant to Section 17.4(g) of the Commodity Purchase Agreement.

Section 5.11 General Fund.

(a) The Trustee shall apply moneys on deposit in the General Fund in the following amounts and in the following order of priority: *first*, for deposit into the Debt Service Account, the amount necessary (or all moneys credited to the General Fund if less than the amount necessary) to make up any deficiencies in the deposits to said Account required by Section 5.5(a)(ii); *second*, for deposit into the Debt Service Reserve Account, the amount necessary to make up any deficiencies in the deposits to such Account pursuant to Section 5.5(a)(iv); *third*, to the credit of the Commodity Swap Reserve Account, the amount necessary to cause the Minimum Amount to be on deposit therein; *fourth*, to the payment of (i) any Operating Expenses then due and payable and for

which other funds are not available under this Indenture and (ii) any amounts owed by the Issuer under the Commodity Supply Contract with respect to purchases of replacement gas or electricity by the Project Participant; and *fifth*, to the payment of any amounts then due and payable with respect to Call Receivables or Put Receivables.

(b) Amounts on deposit in the General Fund not required to meet a deficiency or make a deposit as provided in subsection (a) above shall be applied by the Trustee upon the Written Request of the Issuer to the following in the order listed below:

(i) payment of Extraordinary Expenses;

(ii) any fees owed pursuant to any Qualified Investments;

(iii) annual refunds to the Project Participant pursuant to the Commodity Supply Contract;

(iv) the purchase or redemption of Bonds and expenses in connection with the purchase or redemption of such Bonds or any reserves which the Issuer determines shall be required for such purposes;

(v) any other lawful purpose of the Issuer under the Act;

provided, however, that, subject to the provisions of subsection (a) of this Section 5.11, amounts credited to the General Fund and required by this Indenture to be applied to the purchase or redemption of Bonds shall be applied to such purpose. There is hereby created a Working Capital Account of the General Fund that may be used for any of the purposes contemplated in this Section 5.11(b) at the Written Request of the Issuer (which Written Request shall include all information reasonably necessary for the Trustee to make the required application or payment of funds). The Issuer may deposit funds that are not part of the Trust Estate into the Working Capital Account of the General Fund from time to time.

(c) If at any time Bonds of any maturity for which Sinking Fund Installments shall have been established are (i) purchased or redeemed other than pursuant to Section 5.7(d) or (ii) deemed to have been paid pursuant to Section 12.1(b) and, with respect to such Bonds which have been deemed paid, irrevocable written instructions have been given to the Trustee to redeem or purchase the same on or prior to the due date of the Sinking Fund Installment to be credited under this subsection (c), the Issuer may from time to time and at any time by Written Direction to the Trustee specify the portion, if any, of such Bonds so purchased, redeemed or deemed to have been paid and not previously applied as a credit against any Sinking Fund Installment which are to be credited against future Sinking Fund Installments. Such direction shall specify the amounts of such Bonds to be applied as a credit against each Sinking Fund Installment or Installments and the particular Sinking Fund Installment or Installments against which such Bonds are to be applied as a credit; provided, however, that none of such Bonds may be applied as a credit against a Sinking Fund Installment to become due less than 45 days after such notice is delivered to the Trustee. All such Bonds to be applied as a credit shall be surrendered to the Trustee for cancellation on or prior to the due date of the Sinking Fund Installment against which they are being applied as a credit. The portion of any such Sinking Fund Installment remaining after the deduction of any such amounts credited toward the same (or the original amount of any such Sinking Fund Installment if no such amounts shall have been credited toward the same) shall constitute the unsatisfied balance of such

Sinking Fund Installment for the purpose of calculation of Sinking Fund Installments due on a future date.

Section 5.12 Commodity Remarketing Reserve Fund. There shall be established a Commodity Remarketing Reserve Fund. There shall be paid into the Commodity Remarketing Reserve Fund the amounts specified in Section 5(e) of the Commodity Remarketing Exhibit to the Commodity Purchase Agreement. In the case of a Remediation Remarketing (as defined in the Commodity Remarketing Exhibit to the Commodity Purchase Agreement) pursuant to Section 8 of the Commodity Remarketing Exhibit to the Commodity Purchase Agreement, amounts shall be released from the Commodity Remarketing Reserve Fund upon such remarketing and applied pursuant to a Written Direction of the Issuer as follows: (a) if the proceeds received by the Trustee from the remarketing equal or exceed the Remediation Remarketing Purchase Price, the portion of the Commodity Remarketing Reserve Fund allocable to such remarketing shall be transferred to the General Fund, and (b) if the proceeds received by the Trustee from the remarketing are less than the Remediation Remarketing Purchase Price, then (x) the portion of the Commodity Remarketing Reserve Fund allocable to such remarketing shall be used to make a payment to the Commodity Supplier in an amount equal to the excess of such Remediation Remarketing Purchase Price over such proceeds received by the Issuer from the remarketing, and (y) any remaining amounts shall be transferred to the General Fund. For purposes of this Section 5.12, the portion of the Commodity Remarketing Reserve Fund allocable to a remarketing shall consist of the product of (i) a fraction, the numerator of which is the purchase price of the gas or electricity to be remarketed, and the denominator of which is the aggregate amount previously received by the Issuer from any sale of such gas or electricity in a Non-Private Business Sale (as defined in the Commodity Remarketing Exhibit to the Commodity Purchase Agreement) or Private Business Sale (as defined in the Commodity Remarketing Exhibit to the Commodity Purchase Agreement) that, as of the time of the remarketing, has not been remediated in accordance with Section 8 of the Commodity Remarketing Exhibit to the Commodity Purchase Agreement, multiplied by (ii) the balance of the Commodity Remarketing Reserve Fund at the time of the remarketing. Any Written Direction of the Issuer provided hereunder shall include all information reasonably necessary for the Trustee to make the required allocations, applications and payments of funds described herein.

Section 5.13 Assignment Payment Fund. In connection with the issuance of Refunding Bonds, any Assignment Payment received from the Commodity Supplier shall be deposited into the Assignment Payment Fund to be transferred to the replacement commodity supplier, provided, however, that if the existing Bonds have not been redeemed or defeased on or before the Mandatory Purchase Date, in whole, by the Refunding Bonds, all or a portion of the Assignment Payment shall be transferred to the Redemption Account in Section 5.8, along with the proceeds of the Refunding Bonds, in order to redeem all of the Outstanding Bonds.

Section 5.14 Purchases of Bonds. Except as otherwise provided in Section 5.7, any purchase of Bonds (or portions thereof) by or at the direction of the Issuer pursuant to this Indenture may be made with or without tenders of Bonds and at either public or private sale, in such manner as the Issuer may determine.

ARTICLE VI

DEPOSITORIES OF MONEYS, SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

Section 6.1 Depositories.

(a) All moneys held by the Trustee under the provisions of this Indenture shall constitute trust funds and the Trustee may deposit such moneys with one or more Depositories in trust for the parties secured hereunder. All moneys deposited under the provisions of this Indenture with the Trustee or any Depository shall be held in trust and applied only in accordance with the provisions of this Indenture.

(b) Each Depository shall be a bank or trust company organized under the laws of any state of the United States or a national banking association having capital stock, surplus and undivided earnings of $50,000,000 or more, and willing and able to accept the office on reasonable and customary terms and authorized by law to act in accordance with the provisions of this Indenture; provided, however, that the Trustee shall be entitled to rely, without verification, on any certificate of a bank, trust company, national banking association or other entity that certifies that it meets the requirements for being a Depository of moneys hereunder and shall not be responsible for any monitoring of such requirements after the initial deposit of any moneys pursuant to the provisions of this Indenture.

Section 6.2 Deposits.

(a) All Revenues and moneys held by any Depository under this Indenture may be placed on demand or time deposit, if and as directed by the Issuer, provided that such deposits shall permit the moneys so held to be available for use at the time when needed. Any such deposit may be made in the commercial banking department of any Fiduciary, which may honor checks and drafts on such deposit with the same force and effect as if it were not such Fiduciary. All moneys held by any Fiduciary, as such, may be deposited by such Fiduciary in its banking department on demand or, if and to the extent directed by the Issuer and acceptable to such Fiduciary, on time deposit, provided that such moneys on deposit be available for use at the time when needed. Such Fiduciary shall not be obligated to invest or pay interest on such moneys unless and except to the extent may be otherwise agreed between such Depository and the Issuer or as required by applicable law.

(b) All moneys held under this Indenture by the Trustee, the Issuer or any Depository shall be held in such manner as may then be required by applicable federal or State laws and regulations and applicable state laws and regulations of the state in which such Depository is located, regarding security for, or granting a preference in the case of, the deposit of public or trust funds or, in the absence of such laws and regulations, shall be either (i) continuously or fully insured by the Federal Deposit Insurance Corporation, or (ii) continuously and fully secured, to the extent not insured by the Federal Deposit Insurance Corporation, by lodging with the Trustee, as custodian, as collateral security, Qualified Investments having a market value (exclusive of accrued interest) not less than the amount of such moneys (or portion thereof not insured by the Federal Deposit Insurance Corporation); provided, however, that, to the extent permitted by law, it shall not be necessary for the Fiduciaries to give security under this subsection (b) for the deposit of any moneys with them held in trust and set aside by them for the payment of the principal or Redemption Price of or interest on any

Bonds, or for the Trustee, the Issuer or any Depository to give security for any moneys which shall be represented by obligations or certificates of deposit purchased as an investment of such moneys.

(c) All moneys deposited with the Trustee and each Depository shall be credited to the particular Fund or Account to which such moneys belong and, except as provided with respect to the investment of moneys in Qualified Investments in Section 6.3, the moneys credited to each particular Fund or Account shall be kept separate and apart from, and not commingled with, any moneys credited to any other Fund or Account or any other moneys deposited with the Trustee, the Issuer and each Depository, except as provided in Section 6.3.

(d) The Trustee shall have no responsibility or liability for money or any Fund or Account held by any other Depository at any time or times or for the application or administration thereof by, or other actions or omissions of, any such Depository.

Section 6.3 Investment of Certain Funds. Moneys held in the Debt Service Account, the Debt Service Reserve Account and the Commodity Swap Reserve Account shall be invested and reinvested by the Trustee at the Written Direction of the Issuer to the fullest extent practicable in Qualified Investments specified in such Written Direction which mature or are payable not later than such times as shall be necessary to provide moneys when needed for payments to be made from such Accounts. Moneys held in the Revenue Fund and the Project Fund may be invested and reinvested by the Trustee at the Written Direction of the Issuer in Qualified Investments specified in such Written Direction which mature not later than such times as shall be necessary to provide moneys when needed for payments to be made from such Funds; and in the case of the Commodity Swap Reserve Account, moneys held may be invested and reinvested by the Trustee at the Written Direction of the Issuer in Qualified Investments specified in such Written Direction that mature not later than such times as shall be necessary to make timely Commodity Swap Payments. Moneys in the Operating Fund (other than moneys in the Operating Fund held with respect to Rebate Payments) may be invested by the Trustee at the Written Direction of the Issuer in Qualified Investments specified in such Written Direction which mature within twelve months or which provide funds as needed; moneys held in the Operating Fund with respect to Rebate Payments shall be invested by the Trustee at the Written Direction of the Issuer in Qualified Investments specified in such Written Direction at fair market value; and moneys in the General Fund may be invested in Qualified Investments specified in such Written Direction; in any case the Qualified Investments in such Funds or in the Accounts therein shall mature not later than such times as shall be necessary to provide moneys when needed to provide payments from such Funds or Accounts.

The Trustee shall only be required to make investments of moneys held by it in the Funds and Accounts established under this Indenture in accordance with Written Directions received by the Trustee from any Authorized Officer of the Issuer. The Trustee shall be entitled to rely in good faith on any Written Direction of the Issuer as to the suitability and legality of the directed investment and any deposit or investment directed by the Issuer shall constitute a certification by the Issuer that the assets so deposited or to be purchased pursuant to such directions are Qualified Investments. In making any investment in any Qualified Investments with moneys in any Fund or Account established under this Indenture, the Issuer may give Written Direction to the Trustee to combine such moneys with moneys in any other Fund or Account, but solely for purposes of making such investment in such Qualified Investments. The Trustee shall have no responsibility to monitor the ratings of Qualified Investments after the initial purchase of such Qualified Investments.

Interest earned on any moneys or investments in the Funds and Accounts established hereunder shall be paid into the Revenue Fund, other than interest earned on any moneys or investments in (i) the Redemption Account in the Debt Service Fund, (ii) the Operating Fund relating to Rebate Payments, (iii) the Debt Service Reserve Account, to the extent the Debt Service Reserve Account is less than the Debt Service Reserve Requirement and (iv) the Commodity Swap Reserve Account to the extent the Commodity Swap Reserve Account is less than the Minimum Amount. Interest earned on any moneys or investments in the Redemption Account in the Debt Service Fund shall be retained in the Redemption Account. Interest earned on any moneys or investments in the Operating Fund relating to Rebate Payments shall be retained in that portion of the Operating Fund relating to Rebate Payments. Interest earned on any moneys or investments in the Debt Service Reserve Account, to the extent the Debt Service Reserve Account is less than the Debt Service Reserve Requirement, shall be retained in the Debt Service Reserve Account, and any amount in excess of the Debt Service Reserve Requirement shall be immediately transferred to the Debt Service Account. Interest earned on any moneys or investments in the Commodity Swap Reserve Account to the extent the Commodity Swap Reserve Account is less than the Minimum Amount, shall be retained in the Commodity Swap Reserve Account, and any amount in excess of the Minimum Amount shall be immediately transferred to the Debt Service Account. If no written investment directions have been delivered to the Trustee for any Fund or Account, moneys shall be held there uninvested by the Trustee.

With respect to any payments to the Revenue Fund from interest earnings on deposit in the Debt Service Reserve Account or the Commodity Swap Reserve Account as provided for under the immediately preceding sentence, any such amounts paid into the Revenue Fund shall be immediately transferred to the Debt Service Account. If no written investment directions have been delivered to the Trustee for any Fund or Account, moneys shall be held there uninvested by the Trustee.

Nothing in this Indenture shall prevent any Qualified Investments acquired as investments of or security for Funds held under this Indenture from being issued or held in book-entry form on the books of the Department of the Treasury of the United States.

Nothing in this Indenture shall preclude the Trustee from investing or reinvesting moneys that it holds in the Funds and Accounts established pursuant to this Indenture through its bond department; provided, however, that the Issuer may, in its discretion, by Written Direction to the Trustee, direct that such moneys be invested or reinvested in a manner other than through such bond department.

To the extent any Qualified Investment is insured, guaranteed or otherwise supported by any secondary facility, the Trustee shall make a claim under such facility at such time as shall be required to receive payment thereunder not later than the date required to make any necessary deposit pursuant to Section 5.5 or Section 5.9 or otherwise under Article V.

Section 6.4 Valuation and Sale of Investments. Obligations purchased as an investment of moneys in any Fund created under the provisions of this Indenture shall be deemed at all times to be a part of such Fund and any profit realized from the liquidation of such investment shall be credited to such Fund, and any loss resulting from the liquidation of such investment shall be charged to the respective Fund.

In computing the amount in any Fund created under the provisions of this Indenture for any purpose provided in this Indenture, obligations purchased as an investment of moneys therein shall

be valued at the lower of market value or the amortized cost thereof. The accrued interest paid in connection with the purchase of any obligation shall be included in the value thereof until interest on such obligation is paid. Such computation shall be determined at the Written Direction of the Issuer to the Trustee, as of each Principal Installment payment date and at such other times as the Issuer shall reasonably determine. Guaranteed investment contracts or similar agreements shall be valued at their face value to the extent that they provide for withdrawals without market adjustment or penalty when they are required to provide payment pursuant to this Indenture.

Except as otherwise provided in this Indenture, the Trustee shall use reasonable efforts to sell at the best price obtainable, or present for redemption, any obligation so purchased as an investment whenever it shall be requested to do so by a Written Request of the Issuer. Whenever it shall be necessary in order to provide moneys to meet any payment or transfer from any Fund held by the Trustee, the Trustee shall at the written direction and request of the Issuer use reasonable efforts to sell at the best price obtainable or present for redemption such obligation or obligations designated in a Written Instrument of the Issuer by an Authorized Officer necessary to provide sufficient moneys for such payment or transfer.

The Issuer acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grants the Issuer the right to receive brokerage confirmations of security transactions as they occur, the Issuer specifically waives receipt of such confirmations to the extent permitted by law. The Trustee shall not be required to provide any brokerage information.

The Trustee shall not be liable or responsible for any loss, fee, tax or other charge incurred in connection with any such investment, sale or presentation for redemption made in the manner provided herein. Nothing herein shall require the Trustee to expend or advance its own funds in connection with any acquisition, redemption or liquidation of any investment. The Trustee shall not be under any obligation to invest any moneys held hereunder in the absence of Written Direction by the Issuer selecting and directing investment in Qualified Investments as provided in Article VI; and the Trustee shall otherwise not be under any obligation to pay interest on any moneys held hereunder. The Trustee may rely conclusively on all investment and sale directions received from the Issuer, including with respect to the suitability and legality of the directed investments.

ARTICLE VII

PARTICULAR COVENANTS OF THE ISSUER

The Issuer covenants and agrees with the Trustee and the Bondholders as follows:

Section 7.1 Payment of Bonds. The Issuer shall duly and punctually pay or cause to be paid, but solely from the Trust Estate, the principal or Redemption Price, if any, of every Bond and the interest thereon, at the dates and places and in the manner provided in the Bonds, according to the true intent and meaning thereof.

Section 7.2 Extension of Payment of Bonds. The Issuer shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest by the purchase or funding of such Bonds or claims for interest or by any other arrangement, and in case the maturity of any of the Bonds or the time for payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default under this Indenture, to the benefit of this Indenture or to any payment out of Revenues or

Funds established by this Indenture, including the investment income, if any, thereof, pledged under this Indenture or the moneys (except moneys held in trust for the payment of particular Bonds or claims for interest pursuant to this Indenture) held by the Fiduciaries, except subject to the prior payment of the principal of all Bonds Outstanding the maturity of which has not been extended and of such portion of the accrued interest on the Bonds as shall not be represented by such extended claims for interest.

Section 7.3 Offices for Servicing Bonds. The Issuer shall at all times maintain one or more agencies where Bonds may be presented for payment. Pursuant to Section 2.2, the Issuer has appointed the Trustee as Bond Registrar and Paying Agent for the Bonds and the Trustee hereby accepts such appointments. The Trustee shall at all times maintain one or more agencies or offices where Bonds may be presented for registration, exchange or transfer, where principal and Redemption Price of and interest on the Bonds may be paid, where reports, statements and other documents furnished to the Trustee hereunder may be inspected and where notices, demands and other documents may be served upon the Issuer in respect of the Bonds or of this Indenture, and the Trustee shall continuously maintain or make arrangements to provide such services.

Section 7.4 Further Assurance. At any and all times the Issuer shall, as far as it may be authorized by law, comply with any reasonable request of the Trustee to pass, make, do, execute, acknowledge and deliver all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, pledging, assigning and confirming all and singular the rights, Revenues and other moneys, securities and funds hereby pledged, or intended so to be, or which the Issuer may become bound to pledge.

Section 7.5 Power to Issue Bonds and Pledge the Trust Estate. The Issuer is duly authorized under all applicable laws to create and issue the Bonds and to execute and deliver this Indenture and to pledge the Trust Estate, in the manner and to the extent provided in this Indenture. Except to the extent otherwise provided in this Indenture, the Trust Estate will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the security interest, the pledge and assignment created by this Indenture, and all action on the part of the Issuer to that end has been and will be duly and validly taken. The Bonds and the provisions of this Indenture are and will be the valid and legally enforceable special obligations of the Issuer in accordance with their terms and the terms of this Indenture. The Issuer shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Revenues and other moneys, securities and funds pledged under this Indenture and all the rights of the Bondholders under this Indenture against all claims and demands of all Persons whomsoever.

Section 7.6 Power To Enter Into and Perform the Commodity Supply Contract. The Issuer has and will have as long as any Bonds are Outstanding, good right and lawful power to (a) enter into the Commodity Supply Contract, (b) observe and perform its obligations under the Commodity Supply Contract, and (c) charge and collect the amounts payable by the Project Participant in respect of the gas supply or electricity supply and other services provided by the Issuer thereunder.

The Issuer has, and, to the extent permitted by law, will have as long as any Bonds are Outstanding, good right and lawful power to fix, establish, maintain and collect fees and charges for the sale and transportation or transmission of natural gas or electricity or otherwise with respect to the Commodity Project, subject to the terms of the Commodity Supply Contract.

Section 7.7 Creation of Liens. Unless the Trustee receives a Rating Confirmation, the Issuer shall not issue any bonds, notes, debentures or other evidences of indebtedness of similar nature, other than the Bonds, payable out of or secured by a security interest in or pledge or assignment of the Trust Estate and shall not create or cause to be created any lien or charge on the Trust Estate except as provided in this Indenture, provided, however, that nothing contained in this Indenture shall prevent the Issuer from entering into or issuing, if and to the extent permitted by law, (a) evidence of indebtedness provided this Indenture is discharged and satisfied as provided in Section 12.1, or (b) the Issuer Commodity Swap and Interest Rate Swaps upon the terms and conditions set forth herein. Nothing in this Indenture limits the Issuer's right to issue any bonds, notes, debentures or other evidences of indebtedness of similar nature payable out of or secured by a security interest in or pledge or assignment of a trust estate separate from the Trust Estate.

Section 7.8 Limitations on Operating Expenses and Other Costs. The Issuer shall not incur Operating Expenses in any Fiscal Year in excess of the reasonable and necessary amount of such Operating Expenses. The Issuer shall not budget or incur Operating Expenses that would cause the Revenues available for Scheduled Debt Service Deposits pursuant to Section 5.5(a)(ii) to be insufficient for such purpose.

Section 7.9 Fees and Charges. The Issuer shall at all times fix, establish, maintain and collect (or cause to be collected) fees and charges, as and to the extent permitted under the provisions of the Commodity Supply Contract, for the sale and transportation or transmission of natural gas or electricity or otherwise with respect to the Commodity Project which shall be sufficient to provide Revenues in each Fiscal Year which, together with the other amounts available therefor, shall be equal to the sum of:

(a) The amount estimated by the Issuer to be required to be paid during such Fiscal Year into the Operating Fund;

(b) The amounts, if any, required to be paid during such Fiscal Year into the Debt Service Fund;

(c) The amounts, if any, to be paid during such Fiscal Year into any other Fund established under Section 5.2; and

(d) All other charges or liens whatsoever payable out of Revenues during such Fiscal Year.

Section 7.10 Commodity Supply Contract; Commodity Remarketing.

(a) the Issuer shall cause all Revenues payable by the Project Participant under the Commodity Supply Contract to be (i) payable directly to the Trustee for deposit into the Revenue Fund or (ii) payable directly to the Trustee as custodian for deposit into one or more custodial accounts established pursuant to Section 5.2(b). The Issuer shall enforce the provisions of the Commodity Supply Contract, as well as any other contract or contracts entered into by it relating to the Commodity Project, and duly perform its covenants and agreements thereunder.

(b) In the event that the Project Participant fails to pay when due any amounts owed to the Issuer under the Commodity Supply Contract, the Issuer shall promptly exercise its right to suspend all gas and electricity deliveries to the Project Participant, and shall promptly give notice

to the Commodity Supplier to follow the provisions set forth in the Commodity Remarketing Exhibit to the Commodity Purchase Agreement for each Month of such suspension with respect to the quantities of natural gas or electricity for which deliveries have been suspended.

(c) In the event that the Project Participant delivers a Call Option Notice (as defined in the Commodity Supply Contract) electing to have its contract quantity of natural gas or electricity remarketed for the duration of any Reset Period (as defined in the Commodity Supply Contract), then the Issuer will promptly give notice to the Commodity Supplier to follow the provisions set forth in the Commodity Remarketing Exhibit to the Commodity Purchase Agreement for each Month of such Reset Period with respect to any quantities of natural gas or electricity that would otherwise have been delivered to the Project Participant.

(d) The Issuer will not consent or agree to or permit any termination, rescission, amendment, assignment or novation of, or otherwise take any action under or in connection with, the Commodity Supply Contract that will impair its ability to comply during the current or any future year with the provisions of Section 7.9; provided that:

(i) The Issuer may take any other action under or in connection with the Commodity Supply Contract that is expressly permitted pursuant to the provisions thereof;

(ii) The Issuer and the Project Participant may amend the Commodity Supply Contract to change any delivery point;

(iii) the Commodity Supply Contract may be amended upon receipt of (A) a Rating Confirmation with respect to such amendment, and (B) to the extent such amendment would have a material effect (including a change in the timing of payments, the source of such payments, or the Issuer's rights of collection thereof) upon the Receivables Purchase Provisions or the Issuer Commodity Swap, the consent of the Commodity Supplier or the Commodity Swap Counterparty, respectively; and

(iv) The Issuer may agree to an assignment or novation of all or a portion of the Project Participant's rights and obligations under the Commodity Supply Contract upon (A) compliance with the restrictions on assignment set forth therein, (B) receipt of a Rating Confirmation with respect to such assignment or novation, and (C)provision of notice of such assignment or novation to the Commodity Swap Counterparty.

(e) As of the date of this Indenture, the Commodity Supply Contract with the Project Participant set forth on Schedule I shall be the only Commodity Supply Contract until such time, if any, that an assignment or novation occurs in accordance with the requirements set forth above. Without prejudice to the rights of the Commodity Supplier to remarket gas or electricity under the Commodity Purchase Agreement or to an assignment or novation of the Commodity Supply Contract in compliance with this Section 7.10, the Issuer may sell daily quantities of natural gas or electricity to be delivered under the Commodity Purchase Agreement only pursuant to the Commodity Supply Contract. A copy of the Commodity Supply Contract and any amendment to the Commodity Supply Contract, certified by an Authorized Officer, shall be filed with the Trustee.

Section 7.11 Commodity Purchase Agreement; Commodity Supplier Documents.

(a) The Issuer shall enforce the provisions of the Commodity Purchase Agreement and duly perform its covenants and agreements thereunder.

(b) The Trustee shall promptly notify the Issuer upon becoming aware of any payment default that has occurred and is continuing on the part of the Commodity Supplier under the Commodity Purchase Agreement. The Issuer shall provide the Trustee with Written Notice of the Early Termination Payment Date (i) by 12:00 noon, New York City time, on the fifth Business Day preceding a Mandatory Purchase Date if an amount equal to the Purchase Price of the Bonds that are subject to such Mandatory Purchase Date has not been deposited with the Trustee, and (ii) in all other cases, not more than five days after such date is determined.

(c) The Issuer will not consent or agree to or permit any assignment of, rescission of or amendment to or otherwise take any action under or in connection with the Commodity Purchase Agreement which will in any manner materially impair or materially adversely affect the rights of the Issuer thereunder or the rights or security of the Bondholders under this Indenture; provided that the Commodity Purchase Agreement may be assigned or amended without Bondholder consent upon receipt of a Rating Confirmation with respect to such assignment or amendment. Copies of the Commodity Purchase Agreement, and any amendments thereto, certified by an Authorized Officer, shall be filed with the Trustee.

(d) The Issuer has the right, pursuant to the Commodity Supplier LLCA to appoint a director (the "Issuer-Appointed Director") to the board of directors of the Commodity Supplier. In any vote that comes before the board of directors of the Commodity Supplier regarding the Commodity Supplier Documents, the Issuer shall instruct the Issuer-Appointed Director to exercise its voting rights in favor of (i) the Commodity Supplier (A) observing and performing its obligations under the Commodity Purchase Agreement and (B) observing and performing its obligations under the other Commodity Supplier Documents and enforcing the provisions thereof against the counterparties thereto, and (ii) not permitting any assignment of, rescission of or amendment to or waiver of the Commodity Supplier Documents which will in any manner materially impair or materially adversely affect the rights of the Issuer thereunder or the rights or security of the Bondholders under this Indenture.

Section 7.12 Trustee as Agent. The Issuer hereby irrevocably appoints, authorizes and directs the Trustee as its agent, subject to the terms of this Indenture, to issue notices and to take any other actions that the Issuer is required or permitted to take under:

(a) the Commodity Supply Contract (including the suspension of natural gas or electricity deliveries upon the default of the Project Participant),

(b) the Commodity Purchase Agreement (including notices to direct the remarketing of natural gas or electricity thereunder),

(c) the Receivables Purchase Provisions,

(d) the Issuer Commodity Swap, and

(e) any Interest Rate Swap.

In exercising this agency power, the Trustee shall have the authority (but in the absence of a continuing Event of Default shall not be under any obligation) to take any such actions as it deems necessary under the Commodity Supply Contract, the Commodity Purchase Agreement, the Receivables Purchase Provisions, the Issuer Commodity Swap and any Interest Rate Swap. Notwithstanding this grant of agency power, the Issuer shall retain, in the absence of any conflicting action by the Trustee, all of the Issuer's obligations under the foregoing agreements and the right to exercise any rights for which it has appointed the Trustee as its agent in accordance with the foregoing, and the foregoing shall not be construed, and nothing herein is intended, to impose upon the Trustee or constitute an assumption by the Trustee of any of the obligations or liabilities of the Issuer under the Commodity Supply Contract, the Commodity Purchase Agreement, the Receivables Purchase Provisions or GSG Guaranty, or to release, discharge or in any way diminish any of the obligations or liabilities of the Issuer thereunder; provided however, if an Event of Default has occurred and is continuing, the Trustee shall, upon receiving Bondholder direction and indemnity satisfactory to it, have the right to notify the Issuer to cease exercising such rights and, upon receipt of such notice with a copy provided to the Project Participant under the Commodity Supply Contract, and the Commodity Supplier under the Commodity Purchase Agreement, the Trustee shall have exclusive authority to exercise such rights, and to collect and apply all amounts payable thereunder, until such time as the Trustee issues a subsequent notice otherwise. For the avoidance of doubt, any exercise by the Trustee of its authority hereunder upon an Event of Default shall be subject to the terms of this Indenture, including Article VIII and Article IX.

Section 7.13 Issuer Commodity Swap. The Issuer shall cause all Commodity Swap Receipts and any other amounts payable to the Issuer pursuant to the Issuer Commodity Swap to be collected and paid directly to the Trustee for deposit into the Revenue Fund. The Issuer shall enforce the provisions of the Issuer Commodity Swap and duly perform its covenants and agreements thereunder. The Trustee shall promptly notify the Issuer upon becoming aware of any payment default that has occurred and is continuing on the part of a Commodity Swap Counterparty under an Issuer Commodity Swap. The Issuer will not consent or agree to or permit any termination or rescission of or amendment to or otherwise take any action under or in connection with an Issuer Commodity Swap that will impair the ability of the Issuer to comply during the current or any future year with the provisions hereof. The Issuer shall only exercise its right to terminate an Issuer Commodity Swap in compliance with Section 2.12(b). A copy of each Issuer Commodity Swap certified by an Authorized Officer shall be filed with the Trustee, and a copy of any amendment to the Issuer Commodity Swap, certified by an Authorized Officer, shall be filed with the Trustee.

Section 7.14 Interest Rate Swap. The Issuer shall cause all Interest Rate Swap Receipts or other amounts payable to the Issuer pursuant to the Interest Rate Swap to be collected and paid to the Trustee for deposit into the Debt Service Account. The Issuer shall enforce the provisions of the Interest Rate Swap and duly perform its covenants and agreements thereunder. The Trustee shall promptly notify the Issuer of any payment default that has occurred and is continuing on the part of the Interest Rate Swap Counterparty under any Interest Rate Swap. The Issuer will not consent or agree to or permit any termination or rescission of or amendment to or otherwise take any action under or in connection with the Interest Rate Swap that will impair the ability of the Issuer to comply during the current or any future year with the provisions hereof. The Issuer shall only exercise its right to terminate the Interest Rate Swap in compliance with Section 2.13(b). A copy of the Interest Rate Swap certified by an Authorized Officer shall be filed with the Trustee, and a copy of any amendment to the Interest Rate Swap, certified by an Authorized Officer, shall be filed with the Trustee.

Section 7.15 Accounts and Reports.

(a) The Issuer shall keep or cause to be kept with respect to the Commodity Project proper books of record and account (separate from all other records and accounts) in accordance with generally accepted accounting principles, as such may be modified by the provisions of this Indenture, in which complete and correct entries shall be made of its transactions relating to the Commodity Project, the amount of Revenues and the application thereof and each Fund and Account established under this Indenture and relating to its costs and charges under the Commodity Supply Contract and any other contracts for the sale or purchase of natural gas or electricity, and which, together with the Commodity Purchase Agreement and all contracts and all other books and papers of the Issuer relating to the Commodity Project, shall, subject to the terms thereof, at all times during regular business hours be subject to the inspection of the Trustee and the Holders of an aggregate of not less than 5% in principal amount of the Bonds then Outstanding or their representatives duly authorized in writing.

(b) The Trustee shall advise the Issuer promptly after the end of each month of the respective transactions during such month relating to each Fund and Account held by it under this Indenture.

(c) The Issuer shall file with the Trustee (i) forthwith upon becoming aware of any Event of Default or default in the performance by the Issuer of any covenant, agreement or condition contained in this Indenture, a Written Certificate of the Issuer and specifying such Event of Default or default and (ii) within 180 days after the end of each Fiscal Year, commencing with the first Fiscal Year ending following the issuance of the Bonds, a Written Certificate of the Issuer signed by an appropriate Authorized Officer stating whether, to the best of such Authorized Officer's knowledge and belief, the Issuer has kept, observed, performed and fulfilled its covenants and obligations contained in this Indenture and that there does not exist at the date of such certificate any default by the Issuer under this Indenture or any Event of Default or other event which, with the lapse of time specified in Section 8.1, would become an Event of Default, or, if any such default or Event of Default or other event shall so exist, specifying the same and the nature and status thereof.

(d) The reports, statements and other documents required to be furnished to the Trustee pursuant to any provisions of this Indenture shall be available for the inspection of Bondholders at all times during regular business hours at the designated corporate trust office of the Trustee (upon reasonable prior written notice of inspection delivered to the Trustee, which shall be in no event with less than 30 calendar days' prior written notice, and in each case subject to the Trustee's policies) and shall be mailed to each Bondholder who shall file a written request therefor with the Issuer. The Issuer may charge each Bondholder requesting such reports, statements and other documents a reasonable fee to cover reproduction, handling and postage.

Section 7.16 Payment of Taxes and Charges. The Issuer will from time to time duly pay and discharge, or cause to be paid and discharged, all taxes, assessments and other governmental charges, or required payments in lieu thereof, lawfully imposed upon the properties of the Issuer or upon the rights, revenues, income, receipts, and other moneys, securities and funds of the Issuer when the same shall become due (including all rights, moneys and other property transferred, assigned or pledged under this Indenture), and all lawful claims for labor and material and supplies, except those taxes, assessments, charges or claims which the Issuer shall in good faith contest by proper legal proceedings if the Issuer shall in all such cases have set aside on its books reserves deemed adequate by the Issuer with respect thereto.

Section 7.17 Tax Covenants.

(a) The Issuer covenants that it shall not take any action, or fail to take any action, or permit any action to be taken on its behalf or cause or permit any circumstance within its control to arise or continue, if any such action or inaction would adversely affect the exclusion from gross income for federal income tax purposes of the interest on any tax-exempt Bonds under Section 103 of the Internal Revenue Code. Without limiting the generality of the foregoing, the Issuer covenants that it will (i) comply with the instructions and requirements of the Tax Agreement and (ii) exercise commercially reasonable efforts to cause the tax-exempt Bonds to be redeemed (A) in such amount as may be necessary to maintain the exclusion from federal gross income of interest on the tax-exempt Bonds and (B) in whole in the event that interest on the tax-exempt Bonds becomes includible in federal gross income. The Issuer further agrees to follow any directions provided by Special Tax Counsel with respect to any such redemption. The covenant in clause (i) above shall survive payment in full or defeasance of the tax-exempt Bonds.

(b) In the event that at any time the Issuer is of the opinion that for purposes of this Section 7.17 it is necessary or helpful to restrict or limit the yield on the investment of any moneys held by the Trustee under this Indenture, the Issuer shall so instruct the Trustee in writing as to the specific actions to be taken, and the Trustee shall take such action as specified in such instructions (subject to the Trustee's rights under Article IX).

(c) Notwithstanding any other provisions of this Section 7.17, if the Issuer shall provide to the Trustee an Opinion of Special Tax Counsel that any specified action required under this Section 7.17 is no longer required or that some further or different action is required to maintain the exclusion from federal income tax of interest on the tax-exempt Bonds, the Issuer and the Trustee may conclusively rely on such opinion in complying with the requirements of this Section 7.17 and of the Tax Agreement, and the covenants hereunder shall be deemed to be modified to that extent.

(d) Notwithstanding any other provision of this Indenture to the contrary, upon the Issuer's failure to observe or refusal to comply with the above covenants, the Holders of the tax-exempt Bonds, or the Trustee acting on their behalf pursuant to their written request and direction, shall be entitled to the rights and remedies provided to Bondholders under this Indenture based upon the Issuer's failure to observe, or refusal to comply with, the above covenants. In connection with any action taken by it under this Section 7.17, the Trustee shall have the benefit of all of the protective provisions set forth in Article IX.

Section 7.18 General.

(a) The Issuer shall at all times maintain its existence and shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Issuer under the provisions of the Act and this Indenture.

(b) The Issuer shall not consolidate or amalgamate with, or merge with or into, or transfer all or substantially all its assets to (other than the sale in the normal course of business of natural gas or electricity to the Project Participant pursuant to the Commodity Supply Contract), or reorganize, reincorporate or reconstitute into or as, another entity unless, (i) prior to such event, the Issuer receives confirmation from the Commodity Swap Counterparty that such event does not trigger a termination event under Section 5(b)(iv) (Credit Event Upon Merger) of the Issuer Commodity Swap and confirmation from any Interest Rate Swap Counterparty that such event does

not trigger a termination event under Section 5(b)(iv) (Credit Event Upon Merger) of any Interest Rate Swap; and (ii) at the time of such consolidation, amalgamation, merger, transfer, reorganization, reincorporation or reconstitution, the resulting, surviving or transferee entity assumes all the obligations of the Issuer under the Issuer Commodity Swap and the Interest Rate Swap.

(c) The Issuer shall not take any action, or fail to take any action, or permit any action to be taken on its behalf or cause or permit any circumstance within its control to arise or continue, if any such action or inaction would adversely affect the ratings on the Bonds.

(d) Upon the date of authentication and delivery of any of the Bonds, all conditions, acts and things required by law and this Indenture to exist, to have happened and to have been performed precedent to and in the issuance of such Bonds shall exist, have happened and have been performed, and the issuance of such Bonds, together with all other obligations of the Issuer thereunder, shall comply in all respects with the applicable laws of the State.

Section 7.19 Bankruptcy. To the extent permitted by law, the Issuer shall not, prior to the date which is one year and one day after the termination of this Indenture, acquiesce, petition, or otherwise invoke the process of any court or government authority for the purpose of commencing or sustaining a case under any federal or state bankruptcy, insolvency, or similar law or appointing a receiver, liquidator, assignee, trustee, custodian or sequestrator for any substantial part of its property, or ordering the winding up or liquidation of the affairs of the Issuer. This covenant shall survive the termination of this Indenture.

Section 7.20 Reserved.

Section 7.21 Avoidance of Failed Remarketing. The Issuer covenants that it will exercise commercially reasonable efforts to avoid a Failed Remarketing.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

Section 8.1 Events of Default; Remedies. Any one or more of the following shall constitute an "Event of Default" hereunder:

(a) default shall be made in the due and punctual payment of the principal or Redemption Price or Purchase Price of any Bond when and as the same shall become due and payable, whether at maturity or by call for redemption or tender, or otherwise;

(b) default shall be made in the due and punctual payment of any installment of interest on any Bond or the unsatisfied balance of any Sinking Fund Installment therefor (except when such Sinking Fund Installment is due on the maturity date of such Bond), when and as such interest installment or Sinking Fund Installment shall become due and payable;

(c) default shall be made by the Issuer in the performance or observance of any other of the covenants, agreements or conditions on its part in this Indenture or in the Bonds contained, and such default shall continue for a period of 60 days or, if such default cannot reasonably be remedied within such 60 day period, such longer period so long as diligent efforts are being made to remedy such default, after written notice thereof specifying such default and requiring

that it shall have been remedied and stating that such notice is a "Notice of Default" hereunder is given to the Issuer by the Trustee or to the Issuer and to the Trustee by the Holders of not less than 10% in principal amount of the Bonds Outstanding;

(d) default shall be made in the due and punctual payment of any Commodity Swap Payment or Interest Rate Swap Payment when and as the same shall become due and payable;

(e) The Issuer shall commence a voluntary case or similar proceeding under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect (provided, however, that such event shall not constitute an Event of Default hereunder unless in addition, (i) the Issuer is unable to meet its debts with respect to the Commodity Project as such debts mature or (ii) any plan of adjustment or other action in such proceeding would adversely affect in any way the Revenues or the Commodity Project), or the Issuer shall authorize, apply for or consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator or similar official for the Commodity Project, or any part thereof, and/or the rents, fees, charges or other revenues therefrom, or shall make any general assignment for the benefit of creditors, or shall make a written declaration or admission to the effect that it is unable to meet its debts with respect to the Commodity Project as such debts mature, or shall authorize or take any action in furtherance of any of the foregoing;

(f) a court having jurisdiction in the premises shall enter a decree or order for relief in respect of the Issuer in an involuntary case or similar proceeding under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect (provided, however, that such event shall not constitute an Event of Default hereunder unless in addition, (i) the Issuer is unable to meet its debts with respect to the Commodity Project as such debts mature or (ii) any plan of adjustment or other action in such proceeding would adversely affect in any way the Revenues or the Commodity Project), or a decree or order appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official for the Commodity Project, or any part thereof, and/or the rents, fees, charges or other revenues therefor, or a decree or order for the dissolution, liquidation or winding up of the Issuer and its affairs or a decree or order finding or determining that the Issuer is unable to meet its debts with respect to the Commodity Project as such debts mature, and any such decree or order shall remain unstayed and in effect for a period of 60 consecutive days; and

(g) there shall occur any other Event of Default specified in a Supplemental Indenture.

If an Event of Default under clause (a) or (b) above has occurred and is continuing, the Trustee (by written notice to the Issuer), or the Holders of not less than a majority in principal amount of the Bonds Outstanding (by written notice to the Issuer and to the Trustee) may declare the principal of all the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and be immediately due and payable.

If an Event of Default under clause (c) through (g) above has occurred and is continuing, Holders of not less than 100% in principal amount of the Bonds outstanding (by written notice to the Trustee) may direct the Trustee to declare (by written notice to the Issuer) the principal of all Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and be immediately due and payable; provided, however, that such direction or declaration may be rescinded and annulled pursuant to the following

paragraph, in which case such declaration shall ipso facto be deemed to be rescinded and any such default shall ipso facto be deemed to be annulled, but no such rescission or annulment shall extend to or affect any subsequent default or impair or exhaust any right or power consequent thereon.

The Holders of a majority in principal amount of the Bonds Outstanding (by written notice to the Issuer and the Trustee) or the Trustee on its own accord (by written notice to the Issuer, but subject to the following sentence) may rescind and annul a direction and declaration under clause (ii) above if, at any time before the Bonds shall have matured by their terms, all overdue installments of interest upon the Bonds, together with the reasonable fees, charges, expenses and liabilities of the Trustee, and all other sums then payable by the Issuer under this Indenture (except the principal of, and interest accrued since the next preceding Interest Payment Date on, the Bonds due and payable solely by virtue of such declaration) shall have been paid by or for the account of the Issuer or provision satisfactory to the Trustee shall be made for such payment, and all defaults under the Bonds or under this Indenture (other than the payment of principal and interest due and payable solely by reason of such declaration) shall have been remedied or secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor. Such a rescission by the Trustee on its own accord may be revoked by written directions to the contrary delivered to the Trustee and the Issuer by the Holders of a majority in principal amount of the Bonds Outstanding.

Section 8.2 Accounting and Examination of Records after Default.

(a) The Issuer covenants that if an Event of Default shall have happened and shall not have been remedied, the books of record and accounts of the Issuer and all other records relating to the Commodity Project shall at all times during regular business hours be subject to the inspection and use of the Trustee and of its agents and attorneys.

(b) The Issuer covenants that if an Event of Default shall have happened and shall not have been remedied, the Issuer, upon demand of the Trustee, will account, as if it were the trustee of an express trust, for all Revenues and other moneys, securities and funds pledged or held under this Indenture for such period as shall be stated in such demand.

Section 8.3 Enforcement of Agreements; Application of Moneys after Default.

(a) The Issuer covenants that, if an Event of Default shall happen and shall not have been remedied, it shall upon the demand of the Trustee (i) take such additional actions on its part as shall be necessary to cause the Project Participant to make payments of all amounts due under the Commodity Supply Contract to the Trustee, (ii) take such additional actions on its part as shall be necessary to cause the Commodity Swap Counterparty to make payment of all amounts due under the Issuer Commodity Swap directly to the Trustee, (iii) take such additional actions on its part as shall be necessary to cause any Interest Rate Swap Counterparty to make payment of all amounts due under the Interest Rate Swap directly to the Trustee, (iv) execute and deliver such additional instruments that may be necessary to establish or confirm its pledge and assignment to the Trustee of its rights and remedies afforded the Issuer under the Commodity Supply Contract, and (v) pay over or cause to be paid over to the Trustee any Revenues which have not been paid directly to the Trustee as promptly as practicable after receipt thereof. In addition, the Issuer hereby irrevocably appoints the Trustee as its agent to issue notices (including notices to direct the remarketing of natural gas or electricity) and to take any other actions that the Issuer is required or permitted to take under the Commodity Purchase Agreement, the Commodity Supply Contract, the Issuer Commodity Swap and any Interest Rate Swap. The Commodity Purchase Agreement, the Commodity Supply Contract and

the Issuer Commodity Swap may be amended at any time for changes in Delivery Points as provided therein, without the consent of the Bondholders, any parties other than those to the relevant agreement, and without the provisions of opinions or other process hereunder. In exercising this agency power, the Trustee shall have the authority to take any such actions as it deems necessary under the Commodity Purchase Agreement, the Commodity Supply Contract, and the Issuer Commodity Swap. Notwithstanding this grant of agency power, the Issuer shall retain, in the absence of any conflicting action by the Trustee, the right to exercise any rights for which it has appointed the Trustee as its agent in accordance with the foregoing; provided, however, if an Event of Default has occurred, the Trustee shall have the right to notify the Issuer to cease exercising such rights and, upon receipt of such notice with a copy provided to the Commodity Supplier under the Commodity Purchase Agreement, the Project Participant under the Commodity Supply Contract, and the Commodity Swap Counterparty under the Issuer Commodity Swap, the Trustee shall have exclusive authority to exercise such rights until such time as the Trustee issues a subsequent notice otherwise.

(b) During the continuance of an Event of Default, the Trustee shall apply all moneys, securities, funds and Revenues received by the Trustee pursuant to any right given or action taken under the provisions of this Article VIII as follows and in the following order, provided that (x) moneys already held in the Debt Service Account prior to the occurrence of such Event of Default shall not be used for purposes other than payment of the interest and principal or Redemption Price then due on the Bonds and the payment of Interest Rate Swap Payments then due under the Interest Rate Swap in accordance with clause (iii) of this subsection (b) and (y) moneys in the Commodity Swap Reserve Account shall be used first to pay any Commodity Swap Payments then due:

(i) Expenses of Fiduciaries – to the payment of the reasonable fees, charges, expenses, indemnities and liabilities of the Fiduciaries, including court costs and fees and expenses of their counsel;

(ii) Operating Expenses – to the payment of the amounts required for Operating Expenses (based upon information regarding the same as shall have been provided to the Trustee by the Issuer) and for the payment of such other amounts related to the Commodity Project as are necessary in the judgment of the Trustee to prevent loss of Revenues. For this purpose, the books of record and accounts of the Issuer relating to the Commodity Project shall at all times during regular business hours be subject to the inspection of the Trustee and its representatives and agents during the continuance of such Event of Default; and

(iii) Principal or Redemption Price and Interest – to the payment of the principal (or Redemption Price) and interest then due and unpaid upon the Bonds and the Interest Rate Swap Payments then due under the Interest Rate Swap, without preference or priority of principal (or Redemption Price) over interest, of interest over principal, of any installment of interest over any other installment of interest, of any Bond over any other Bond, of any payment in respect of such principal (or Redemption Price) or interest over any Interest Rate Swap Payment or of any Interest Rate Swap Payment over any payment in respect of such principal or interest, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds and the Interest Rate Swap.

When the Trustee incurs costs or expenses (including legal fees, costs, expenses and indemnities) or renders services after the occurrence of an Event of Default, such costs and expenses

and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

(c) If and whenever all overdue installments of interest on all Bonds, together with the reasonable charges, expenses and liabilities of the Trustee and the other Fiduciaries, and all other sums payable or secured by the Issuer under this Indenture, including the principal and Redemption Price of and accrued unpaid interest on all Bonds which shall then be payable by declaration or otherwise, shall either be paid by or for the account of the Issuer, or provisions satisfactory to the Trustee shall be made for such payment, and all defaults under this Indenture or the Bonds shall be made good or secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, the Trustee shall pay over to the Issuer all moneys, securities and funds then remaining unexpended in the hands of the Trustee (except moneys, securities and funds deposited or pledged, or required by the terms of this Indenture, particularly Section 5.2, to be deposited or pledged, with the Trustee), and thereupon the Issuer and the Trustee shall be restored, respectively, to their former positions and rights under this Indenture. No such payment over to the Issuer by the Trustee nor restoration of the Issuer and the Trustee to their former positions and rights shall extend to or affect any subsequent default under this Indenture or impair any right consequent thereon.

Section 8.4 Appointment of Receiver. The Trustee shall have the right, upon the happening of an Event of Default, to apply in an appropriate proceeding for the appointment of a receiver of the Commodity Project.

Section 8.5 Proceedings Brought by Trustee.

(a) If an Event of Default shall happen and shall not have been remedied, then and in every such case, the Trustee, by its agents and attorneys, may proceed, and upon written request of the Holders of not less than a majority in principal amount of the Bonds Outstanding shall proceed, to protect and enforce its rights and the rights of the Holders of the Bonds under this Indenture forthwith by a suit or suits in equity or at law, whether for the specific performance of any covenant herein contained, or in aid of the execution of any power herein granted, or for an accounting against the Issuer as if the Issuer were the trustee of an express trust, or in the enforcement of any other legal or equitable right as the Trustee, being advised by counsel, shall deem most effectual to enforce any of its rights or to perform any of its duties under this Indenture.

(b) All rights of action under this Indenture may be enforced by the Trustee without the possession of any of the Bonds or the production thereof at the trial or other proceedings, and any such suit or proceedings instituted by the Trustee shall be brought in its name.

(c) The Holders of not less than a majority in principal amount of the Bonds at the time Outstanding may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, provided that the Trustee is provided security and indemnity satisfactory to it prior to taking such actions and provided further that the Trustee shall have the right to decline to follow any such direction if the Trustee shall be advised by counsel that the action or proceeding so directed may not lawfully be taken, or if the Trustee in good faith shall determine that the action or proceeding so directed would involve the Trustee in personal liability, be unlawful or in violation of the terms of this Indenture, or be unjustly prejudicial to the Bondholders not parties to such direction, or if the

Trustee shall not have been provided security and indemnity satisfactory to it prior to taking such action or proceeding.

(d) Upon commencing a suit in equity or upon other commencement of judicial proceedings by the Trustee to enforce any right under this Indenture, the Trustee shall be entitled to exercise any and all rights and powers conferred in this Indenture and provided to be exercised by the Trustee upon the occurrence of any Event of Default.

(e) Regardless of the happening of an Event of Default, the Trustee shall have power to, but unless requested in writing by the Holders of a majority in principal amount of the Bonds then Outstanding and furnished with reasonable security and indemnity, shall be under no obligation to, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient to prevent any impairment of the security under this Indenture by any acts which may be unlawful or in violation of this Indenture, and such suits and proceedings as the Trustee may be advised shall be necessary or expedient to preserve or protect its interests and the interests of the Bondholders.

Section 8.6 Restriction on Bondholder's Action.

(a) No Holder of any Bond shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any provision of this Indenture or the execution of any trust under this Indenture or for any remedy under this Indenture, unless such Holder (i) shall have previously given to the Trustee written notice of the happening of an Event of Default, as provided in this Article VIII, and the Holders of at least a majority in principal amount of the Bonds then Outstanding shall have filed a written request with the Trustee, (ii) shall have offered it reasonable opportunity, either to exercise the powers granted in this Indenture or by the Act or by the laws of the State or to institute such action, suit or proceeding in its own name, and (iii) shall have offered to the Trustee adequate security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused to comply with such request for a period of 60 days after receipt by it of such notice, request and offer of indemnity, it being understood and intended that no one or more Holders of Bonds shall have any right in any manner whatever by its or their action to affect, disturb or prejudice the pledge created by this Indenture, or to enforce any right under this Indenture, except in the manner herein provided; and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner provided in this Indenture and for the equal benefit of all Holders of the Outstanding Bonds, subject only to the provisions of Section 7.2.

(b) Nothing in this Indenture or in the Bonds shall affect or impair the obligation of the Issuer, which is absolute and unconditional, to pay only from the Trust Estate, in accordance with the terms of this Indenture, at the respective dates of maturity and places therein expressed the principal of (and premium, if any) and interest on the Bonds to the respective Holders thereof, or affect or impair the right of action, which is also absolute and unconditional, of any Holder to enforce such payment of its Bond.

Section 8.7 Remedies Not Exclusive. No remedy by the terms of this Indenture conferred upon or reserved to the Trustee or the Bondholders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Indenture or existing at law or in equity or by statute on or after the date of execution and delivery of this Indenture.

Section 8.8 Effect of Waiver and Other Circumstances.

(a) No delay or omission of the Trustee or any Bondholder to exercise any right or power arising upon the happening of an Event of Default shall impair any right or power or shall be construed to be a waiver of any such Event of Default or be an acquiescence therein; and every power and remedy given by this Article VIII to the Trustee or to the Bondholders may be exercised from time to time and as often as may be deemed expedient by the Trustee or by the Bondholders.

(b) Prior to the declaration of maturity of the Bonds as provided in Section 8.1, the Holders of not less than a majority in principal amount of the Bonds at the time Outstanding, or their attorneys-in-fact duly authorized, may on behalf of the Holders of all of the Bonds waive any past default under this Indenture and its consequences, except a default in the payment of interest on or principal of or premium (if any) on any of the Bonds. No such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 8.9 Notice of Default. The Trustee shall promptly mail written notice of the occurrence of any Event of Default actually known to a Responsible Officer of the Trustee or for which the Trustee has received written notice to each registered owner of Bonds then Outstanding at its address, if any, appearing upon the registry books of the Issuer. The Trustee shall not be required to take notice nor be deemed to have notice of any Event of Default, except failure to cause to be made any of the payments required to be made to the Trustee, unless the Trustee shall be specifically notified in writing by the Issuer or by the Holders of at least 25% in aggregate principal amount of the Bonds then Outstanding, and in the absence of such notice the Trustee shall conclusively assume no default exists.

ARTICLE IX

CONCERNING THE FIDUCIARIES

Section 9.1 Acceptance by Trustee of Duties. The Trustee accepts the duties and obligations imposed upon it by this Indenture and the trusts hereby created, but only, however, upon the terms and conditions set forth in this Indenture. The duties and obligations of the Trustee shall be only those expressly set forth herein and no implied duties shall be construed against the Trustee under this Indenture.

Section 9.2 Paying Agents; Appointment and Acceptance of Duties.

(a) The Issuer shall appoint one or more Paying Agents for the Bonds, provided that for so long as U.S. Bank Trust Company, National Association is acting as Trustee, no other Paying Agent may be appointed. All Paying Agents appointed shall have the qualifications set forth in Section 9.13 for a successor Paying Agent. The Trustee is hereby appointed as initial Paying Agent.

(b) Each Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Indenture by executing and delivering to the Issuer and to the Trustee a written acceptance thereof.

(c) Unless otherwise provided, the designated corporate trust offices of the Paying Agents are designated as the respective offices or agencies of the Issuer for the payment of the interest on and the principal or Redemption Price of the Bonds.

Section 9.3 Responsibilities of Fiduciaries.

(a) The recitals of fact herein and in the Bonds contained shall be taken as the statements of the Issuer and no Fiduciary assumes any responsibility for the correctness of the same. No Fiduciary makes any representations as to the validity or sufficiency of this Indenture or of any Bonds issued hereunder or as to the security afforded by this Indenture, and no Fiduciary shall incur any liability in respect thereof. Under no circumstances shall the Trustee be liable in its individual capacity for the obligations evidenced by the Bonds. Furthermore, no Fiduciary shall be responsible with respect to any statement or information in any offering documents with respect to the Bonds (except for information provided by any Fiduciary for inclusion in such offering documents). The Trustee shall, however, be responsible for its representation contained in its certificate of authentication on the Bonds. No Fiduciary shall be under any responsibility or duty with respect to the application of any moneys, including bond proceeds, paid by such Fiduciary in accordance with the provisions of this Indenture to the Issuer or to any other Person. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or undertake any suit or proceeding under this Indenture or to enter any appearance in or defend any suit in respect thereof, or to advance any of its own moneys, expend or risk its own funds or otherwise incur any financial liability unless properly indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other anticipated disbursements, and against all liability except to the extent caused primarily by its own negligence or willful misconduct as finally determined by a court of competent jurisdiction. Prior to any such determination, the Fiduciaries shall be entitled to indemnification for all amounts described in the preceding sentence. Subject to the provisions of subsection (b), no Fiduciary shall be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct. To the extent permitted by law, the Issuer shall indemnify the Fiduciaries for, and hold the Fiduciaries harmless against, any loss, claim, liability or expense incurred by it, arising out of or in connection with the acceptance or administration of this Indenture or the trusts hereunder or the performance of its duties hereunder, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of its duties hereunder, except to the extent finally determined by a court of competent jurisdiction to have been primarily caused by its own negligence or willful misconduct. Prior to any such determination, the Fiduciaries shall be entitled to indemnification for all amounts described in the preceding sentence. Without limiting the generality of the foregoing, and notwithstanding any term in the Indenture to the contrary, the Trustee shall not be required to take any action at the request or direction of any Bondholders, the Issuer or other Person entitled to give any request or direction under the terms of this Indenture, or otherwise, if the Trustee determines in its reasonable judgment that it has not been provided adequate security or indemnity against all costs, expenses (including without limitation reasonable attorneys' fees and expenses) and liabilities associated therewith or that may be incurred in connection therewith or as a result thereof. Notwithstanding anything to the contrary, the permissive rights of any Fiduciary to do things enumerated under this Indenture shall not be construed as duties.

The Trustee shall not be responsible for insuring any property conveyed or collecting any insurance monies, or for the validity of the execution by the Issuer of this Indenture or of any supplements hereto, or instruments of further assurance, or for the sufficiency of the security for the Bonds, or for the investment of monies as herein permitted (except that no investment shall be made

except in compliance with Section 6.2 and Section 6.3 hereof), or for the recording or re-recording, filing or re-filing of this Indenture, or any supplement or amendment thereto, or of any security for the Bonds issued hereunder or intended to be secured hereby, or for the value or title of the property herein conveyed or otherwise as to the maintenance of the security hereof. Except as specifically provided in this Indenture, the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions, or agreements on the part of the Issuer, but the Trustee may require of the Issuer full information and advice as to the performance of such covenants. The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers.

(b) The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. In case an Event of Default has occurred (which has not been cured) the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs. Any provision of this Indenture relating to action taken or to be taken by the Trustee or to evidence upon which the Trustee may rely shall be subject to the provisions of this Section 9.3 and Section 9.4.

(c) The Trustee shall not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay ("unavoidable delay") in connection with the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, any act or provision of any present or future law or regulation or governmental authority, Acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, the existence or escalation of fires, floods, other natural disasters, epidemics, pandemics, disease, quarantine restrictions, strikes, freight embargoes, accidents, earthquakes, explosion, mob violence, riot, war, civil unrest, national emergencies, inability to procure or general sabotage or rationing of labor, labor disputes, equipment, facilities, losses or malfunctions of utility or computer software or hardware, communications system failures, malware or ransomware, unavailability of the Federal Reserve Bank wire or telex system or other wire or other funds transfer systems, unavailability of any securities clearing system, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.

(d) Notwithstanding anything to the contrary herein, the Issuer acknowledges and agrees that, unless separately appointed pursuant to the Continuing Disclosure Undertaking and accepted by the Trustee, the Trustee is not acting as the disclosure or dissemination agent in connection with the Bonds for purposes of Rule 15c2-12 of the Securities Exchange Act of 1934 in connection with any notice required to be posted with the Municipal Securities Rulemaking Board via its EMMA system.

Section 9.4 Evidence on Which Fiduciaries May Act.

(a) Each Fiduciary, upon receipt of any notice, direction, resolution, request, consent, order, certificate, report, opinion, bond, facsimile transmission, electronic mail, or other paper or document furnished to it pursuant to any provision of this Indenture, shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by

the proper party or parties and in conformity with the formal requirements of this Indenture. Each Fiduciary may consult with any consultant, accountant, or counsel, who may or may not be a consultant, accountant or counsel to the Issuer, and the opinion of such consultant, accountant, or counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Indenture in good faith and in accordance therewith and the Trustee shall be under no duty to make any investigation or inquiry into any statements contained or matters referred to in any such instrument.

(b) Whenever any Fiduciary shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Indenture, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a Written Certificate of the Issuer, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Indenture upon the faith thereof; but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable. Neither the Trustee, the Bond Registrar nor the Paying Agent shall be bound to recognize any Person as a Bondholder or to take any action at its request unless its Bond shall be deposited with such entity or satisfactory evidence of the ownership of such Bond shall be furnished to such entity.

(c) The Trustee shall have the right to accept and act upon directions given pursuant to this Indenture, or any other document reasonably relating to the Bonds and delivered using Electronic Means; provided, however, that the Issuer shall provide to the Trustee a Written Certificate of the Issuer listing Authorized Officers with the authority to provide such directions and containing specimen signatures of such Authorized Officers, which Written Certificate of the Issuer shall be amended whenever a person is to be added or deleted from the listing. If the Issuer elects to give the Trustee directions using Electronic Means and the Trustee in its discretion elects to act upon such directions, the Trustee's understanding of such directions shall be deemed controlling. The Issuer understands and agrees that the Trustee cannot determine the identity of the actual sender of such directions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the Written Certificate of the Issuer provided to the Trustee have been sent by such Authorized Officer. The Issuer shall be responsible for ensuring that only Authorized Officers transmit such directions to the Trustee and that all Authorized Officers treat applicable user and authorization codes, passwords and/or authentication keys as confidential and with extreme care. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such directions notwithstanding such directions conflict or are inconsistent with a subsequent written direction. The Issuer agrees: (i) to assume all risks arising out of the use of Electronic Means to submit directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized directions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting directions to the Trustee and that there may be more secure methods of transmitting directions, (iii) that the security procedures (if any) to be followed in connection with its transmission of directions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

(d) Paper copies or "printouts" of any document, if introduced as evidence in any judicial, arbitral, mediation or other administrative proceeding, will be admissible as between the Issuer and the Trustee to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of

true and accurate copies of Electronically Signed Documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule.

Section 9.5 Compensation; Indemnification. The Issuer shall pay or cause to be paid to each Fiduciary from time to time reasonable compensation for all services rendered under this Indenture, and also all reasonable expenses, charges, legal fees, court costs and other disbursements, including those of its attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Indenture, in accordance with the agreements made from time to time between the Issuer and the Fiduciary, and shall pay or cause to be paid to U.S. Bank Trust Company, National Association (or to any successor or successors acting in any of the capacities hereinafter described) acting in its capacity as Trustee or in any other capacity or capacities in which it may serve thereunder, all amounts owing to it from time to time under or pursuant to the terms of any of other agreement contemplated hereunder (including without limitation compensation, reimbursement of costs, disbursements or expenses, and indemnification). Subject to the provisions of Section 9.3, the Issuer further agrees to indemnify and save each Fiduciary in any capacity in which it may serve under this Indenture or any agreement contemplated hereunder harmless against, and agrees to pay or reimburse, the expenses, charges, legal fees and disbursements described in the preceding sentence (including the enforcement of any provision hereunder, and any claims or damages). The Trustee shall be entitled to reimbursement of all expenses and liabilities incurred and all advances made by the Trustee, except for expenses and liabilities incurred or advances made by the Trustee as a result of its gross negligence or willful misconduct as finally adjudicated by a court of competent jurisdiction.

Section 9.6 Certain Permitted Acts. Any Fiduciary, individually or otherwise, may become the owner of any Bonds, with the same rights it would have if it were not a Fiduciary. To the extent permitted by law, any Fiduciary may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Indenture, whether or not any such committee shall represent the Holders of a majority in principal amount of the Bonds then Outstanding. Nothing herein shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Bondholder any plan of reorganization, arrangement, adjustment, or composition affecting the Bonds or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Bondholder in any such proceeding without the approval of the Bondholders so affected.

Section 9.7 Resignation of Trustee. The Trustee may at any time resign and be discharged of the duties created by this Indenture by giving not less than 45 days' written notice to the Issuer and mailing notice thereof to the Holders of Bonds then Outstanding, specifying the date when such resignation shall take effect, and such resignation shall take effect upon the day specified in such notice unless (a) previously a successor shall have been appointed by the Issuer or the Bondholders as provided in Section 9.9, in which event such resignation shall take effect immediately on the appointment of such successor, or (b) a successor shall not have been appointed by the Issuer or the Bondholders as provided in Section 9.9 on such date, in which event such resignation shall not take effect until a successor is appointed.

Section 9.8 Removal of the Trustee. The Trustee may be removed with 30 days' prior notice with or without cause by an instrument or concurrent instruments in writing, filed with the Trustee, and signed by the Holders of a majority in principal amount of the Bonds then Outstanding or their attorneys-in-fact duly authorized, excluding any Bonds held by or for the account of the

Issuer. So long as no Event of Default, or an event which, with notice or passage of time, or both, would become an Event of Default, shall have occurred and be continuing, the Trustee may be removed at any time, with or without cause, upon 30 days' notice, by a resolution of the Issuer filed with the Trustee and delivery of a Written Certificate of the Issuer to the Trustee with respect to the foregoing. Notwithstanding the foregoing, any such removal of the Trustee shall not be effective until a successor Trustee has been appointed pursuant to Section 9.9. The Trustee's rights under this Indenture to indemnity and any amounts due and payable to such Trustee shall survive any such removal.

Section 9.9 Appointment of Successor Trustee.

(a) In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee, or of its property or affairs, a successor Trustee may be appointed by the Issuer by a duly executed written instrument signed by an Authorized Officer.

(b) If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section 9.9 within 45 days after the Trustee shall have given to the Issuer written notice as provided in Section 9.7 or within 30 days after a vacancy in the office of the Trustee shall have occurred by reason of its inability to act, removal, or for any other reason whatsoever, the Trustee or the Holder of any Bond (in any case) may apply to any court of competent jurisdiction to appoint a successor Trustee. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Trustee.

(c) Any Trustee appointed under the provisions of this Section 9.9 in succession to the Trustee shall be a bank or trust company organized under the laws of any state or a national banking association and shall have capital stock, surplus and undivided earnings aggregating at least $50,000,000 if there be such a bank with trust powers or trust company or national banking association willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Indenture.

Section 9.10 Transfer of Rights and Property to Successor Trustee. Any successor trustee appointed under this Indenture shall execute, acknowledge and deliver to its predecessor Trustee, and also to the Issuer, an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Trustee, with like effect as if originally named as Trustee; but the Trustee ceasing to act shall nevertheless, on the Written Request of the Issuer or of the successor Trustee, at the reasonable cost and expense of the Issuer, execute, acknowledge and deliver such instrument of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Trustee all the right, title and interest of the predecessor Trustee in and to any property, rights, interests and estates held by it under this Indenture, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the Issuer be required by such successor Trustee for more fully and certainly vesting in and confirming to such successor Trustee any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed,

acknowledged and delivered by the Issuer. Any such successor Trustee shall promptly notify the Paying Agents of its appointment as Trustee.

Section 9.11 Merger or Consolidation. Any company into which any Fiduciary may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which any Fiduciary may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a bank with trust powers or trust company organized under the laws of any state of the United States or a national banking association and shall be authorized by law to perform all the duties imposed upon it by this Indenture and shall meet the qualifications set forth in Section 9.9(c), shall be the successor to such Fiduciary without the execution or filing of any paper or the performance of any further act.

Section 9.12 Adoption of Authentication. In case any of the Bonds contemplated to be issued under this Indenture shall have been authenticated but not delivered, any successor Trustee may adopt the certificate of authentication of any predecessor Trustee so authenticating such Bonds and deliver such Bonds so authenticated; and in case any of the said Bonds shall not have been authenticated, any successor Trustee may authenticate such Bonds in the name of the predecessor Trustee, or in the name of the successor Trustee, and in all such cases such certificate shall have the full force which it is provided, anywhere in said Bonds or in this Indenture, that the certificate of the Trustee shall have.

Section 9.13 Resignation or Removal of Paying Agent and Appointment of Successor.

(a) Any Paying Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 45 days' written notice to the Issuer, the Trustee and the other Paying Agents. Any Paying Agent may be removed with 30 days' prior notice by an instrument filed with such Paying Agent and the Trustee and signed by an Authorized Officer. Any successor Paying Agent shall be appointed by the Issuer and shall be a bank or trust company organized under the laws of any state of the United States or a national banking association, having capital stock, surplus and undivided earnings aggregating at least $50,000,000, and willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Indenture.

(b) In the event of the resignation or removal of any Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its successor, or if there be no successor, to the Trustee. In the event that for any reason there shall be a vacancy in the office of any Paying Agent, the Trustee shall act as such Paying Agent.

Section 9.14 Trustee's Reliance. The Trustee may conclusively rely, and shall be protected in acting upon any notice, direction, ordinance, resolution, request, consent, order, certificate, report, opinion, bond, statement, facsimile transmission, electronic mail or other paper or document furnished to the Trustee pursuant to any provision of this Indenture and that is believed by the Trustee to be genuine and to have been signed or presented by the proper party or parties and in conformity with the formal requirements of this Indenture. The Trustee may consult with any consultant, accountant, or counsel, who may or may not be counsel to the Issuer, and the opinion of such consultant, accountant, or counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee under this Indenture in good faith and in accordance therewith. The Trustee shall be under no duty to make any investigation or inquiry into

any statements contained or matters referred to in any such instrument. Any request, direction, authority or consent given by the Holders of any Bond shall be conclusive and binding upon all Holders of the same Bond and any Bond issued in its place.

Section 9.15 Trustee's Liability.

(a) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith, in accordance with the provisions of this Indenture, in accordance with the direction of the Holders of a majority in principal amount of the Outstanding Bonds, relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or, except for its negligence or willful misconduct, exercising any trust or power conferred upon the Trustee, under this Indenture with respect to the Bonds.

(b) The Trustee shall not be deemed to have knowledge of any matter (including any Event of Default except for those Events of Default in Sections 8.1(a) and (b)) unless a Responsible Officer of the Trustee shall have actual knowledge of such matter or Event of Default. As used herein, "actual knowledge" shall mean the actual fact or statement of knowing without any independent duty to make any investigation with regard thereto.

(c) The Trustee's rights to immunities and protection from liability hereunder and its rights to payment of its fees and expenses shall survive its resignation or removal and final payment or defeasance of the Bonds. All rights, benefits, indemnifications and releases from liability granted herein to the Trustee shall extend to the directors, officers, employees, agents and counsel of the Trustee.

(d) Whenever in the administration of the trusts imposed upon it by this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Written Certificate of the Issuer, and such Written Certificate shall be full warrant to the Trustee for any action taken or suffered in good faith under the provisions of this Indenture in reliance upon such Written Instrument, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as it may deem reasonable.

(e) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in connection with the performance or exercise of any of its duties hereunder, or in the exercise of any of its rights or powers hereunder, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(f) Under no circumstances shall the Trustee in any of its capacities hereunder be liable in its individual capacity for the obligations evidenced by the Bonds or be subject to any personal liability or accountability by reason of the issuance of this Bond or in respect of any undertakings by the Trustee under this Indenture. In accepting the trust hereby created, the Trustee acts solely as Trustee for the holders of the Bonds and not in its individual capacity, and all persons, including without limitation the holders of the Bonds and the Issuer, having any claim against the Trustee arising from this Indenture shall look only to the Funds and Accounts held by the Trustee hereunder for payment except as otherwise provided herein.

(g) To the extent permitted by law, the Issuer shall indemnify the Trustee for, and hold it harmless against, any loss, damage, claim, liability or expense incurred by it, arising out of or in connection with the acceptance or administration of this Indenture or the trusts hereunder or the performance of any of its duties hereunder, except with respect to same caused by Trustee's negligence or willful misconduct as determined by a court of competent jurisdiction.

(h) In no event shall the Trustee be liable for indirect, incidental, consequential, special or punitive losses or damages of any kind (including, but not limited to lost profits), regardless of (i) whether the Trustee has been advised of the likelihood of such loss or damage or (ii) the form of action.

(i) The Issuer shall perform its obligations under each agreement to which it is a party, and nothing herein shall be construed to impose upon the Trustee, or to constitute an assumption by the Trustee of, or to release, discharge or diminish, any obligations or liabilities of the Issuer thereunder. The Trustee shall not be liable for the actions or omissions of any other party to any agreement contemplated hereunder. The Trustee, acting in good faith, shall be entitled to rely and act conclusively upon, and shall not be liable for following, any direction or instruction of the Issuer pursuant to any terms of this Indenture or any such agreement which expressly permit or require the Trustee to act upon such direction or instruction. Without limiting the generality of the foregoing, the Trustee shall be entitled to rely solely and conclusively upon Written Direction of the Issuer with respect to all deposits, transfers, payments and application of funds pursuant to Article V hereof, and shall not be under any duty or obligation to verify or recalculate any amounts or instructions contained therein.

(j) The Trustee shall be and is hereby authorized and directed to execute and deliver each agreement naming it as a party, and it is hereby expressly acknowledged and agreed that the Trustee has no responsibility for the terms or content of any such agreement or the sufficiency thereof for any purpose. In no instance, however, shall the Trustee be under any obligation to enter into any agreement, or any amendment, modification or replacement thereof, that in its reasonable judgment would impose duties, obligations or liabilities, or remove, restrict, limit or otherwise change or affect any of its protections or rights, in a way that is unacceptable to it.

(k) The delivery of any reports, financial statements, agreements or other materials or information to the Trustee pursuant to the terms hereof or any other agreement, shall not impose, or be construed to impose or imply, any duty on the part of the Trustee to review or evaluate the contents thereof, or to verify the accuracy thereof, and shall not be deemed to charge the Trustee with knowledge of the contents thereof (subject only to any express duties that may be set forth herein or in any applicable agreement on the part of the Trustee, if any, with respect to such reports, financial statements, agreements or other materials or information).

(l) In accepting the trust created by agreements contemplated hereunder, the Trustee acts solely as Trustee for the Holders of the Bonds and not in its individual capacity and all persons, including without limitation the owners of the Bonds and the Issuer having any claim against the Trustee arising from the Indenture shall look only to the funds and accounts held by the Trustee hereunder for payment.

(m) The Trustee shall not be liable for action (or forbearance from action) taken in good faith pursuant to and in accordance with any direction or instruction of any party (which may include, without limitation, the Issuer or Bondholders, as applicable) which is permitted (or for action

taken not taken by reason of the absence of direction or instruction which is required) by the terms of this Indenture to give such direction or instruction.

Section 9.16 Trustee's Agents or Attorneys. The Trustee may execute any of its trusts or powers under this Indenture or perform any of its duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care, and shall not be responsible for any actions, omissions, misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed.

Section 9.17 Lien Filings. Notwithstanding anything to the contrary contained in this Indenture, the Trustee shall not be responsible for any initial filings of any financing statements or the information contained therein (including the exhibits thereto), the perfection of any such security interests, or the accuracy or sufficiency of any description of collateral in such initial filings or for filing any modifications or amendments to the initial filings required by any amendments to Article IX of the Uniform Commercial Code, if applicable. In addition, unless the Trustee shall have received Written Notice from the Issuer that any such initial filing or description of collateral was or has become defective, the Trustee shall be fully protected (i) in relying on such initial filing and descriptions in filing any financing or continuation statements or modifications thereto pursuant to this Section 9.17 and (ii) in filing any continuation statements in the same filing offices as the initial filings were made. If applicable, the Trustee shall, upon written direction from the Issuer, cause to be filed, in accordance with such instructions, a continuation statement with respect to each Uniform Commercial Code financing statement relating to the Bonds which was filed at the time of the issuance thereof, in such manner and in such places as the initial filings were made, provided that a copy of the filed original financing statement is timely delivered with such written instructions to the Trustee. The Issuer shall be responsible for the reasonable costs incurred by the Trustee in the preparation and filing of all continuation statements hereunder, including payment of any filing fees, and shall give the Trustee any assistance it reasonably requests in order to enable the Trustee to file continuation statements for the lien established by this Indenture.

ARTICLE X

SUPPLEMENTAL INDENTURES

Section 10.1 Supplemental Indentures Not Requiring Consent of Bondholders. The Issuer and the Trustee may from time to time, subject to the conditions and restrictions in this Indenture contained, enter into a Supplemental Indenture or Indentures, in form satisfactory to the Trustee, which shall thereafter form a part hereof, without the consent of the Bondholders for any one or more of the following purposes:

(a) To cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in this Indenture;

(b) To insert such provisions clarifying matters or questions arising under this Indenture as are necessary or desirable and are not contrary to or inconsistent with this Indenture as theretofore in effect;

(c) To make any other modification or amendment of this Indenture which the Trustee shall in its sole discretion determine will not have a material adverse effect on the Bondholders or any Interest Rate Swap Counterparty; and in making such a determination, the

Trustee shall be entitled to receive and rely conclusively upon an Opinion of Counsel and/or certificates of investment bankers or other financial professionals or consultants;

(d) To add to the covenants and agreements of the Issuer in this Indenture, other covenants and agreements to be observed by the Issuer which are not contrary to or inconsistent with this Indenture as theretofore in effect;

(e) To add to the limitations and restrictions in this Indenture, other limitations and restrictions to be observed by the Issuer which are not contrary to or inconsistent with this Indenture as theretofore in effect;

(f) To authorize the issuance of Refunding Bonds;

(g) To authorize, in compliance with all applicable law, Bonds to be issued in the form of coupon Bonds registrable as to principal only and, in connection therewith, specify and determine the matters and things relative to the issuance of such coupon Bonds, including provisions relating to the timing and manner of provision of any notice required to be given hereunder to the Holders of such coupon Bonds, which are not contrary to or inconsistent with this Indenture as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first authentication and delivery of such coupon Bonds;

(h) To provide for the execution of an Issuer Commodity Swap in accordance with the provisions hereof;

(i) To provide for a Liquidity Facility and Liquidity Facility Provider in accordance with the provisions hereof;

(j) To confirm, as further assurance, any security interest, pledge or assignment under, and the subjection to any security interest, pledge or assignment created or to be created by, this Indenture of the Revenues or of any other moneys, securities or funds;

(k) To add to the Events of Default in this Indenture additional Events of Default;

(l) To add to this Indenture any provisions relating to the application of interest earnings on any Fund or Account under this Indenture required by law to preserve the exclusion of interest on Bonds issued from gross income for federal income tax purposes;

(m) To evidence the appointment of a successor Trustee; or

(n) If the Bonds affected by such change are rated by a Rating Agency, to make any change upon receipt of a Rating Confirmation with respect to the Bonds so affected.

Each Supplemental Indenture authorized by this Section 10.1 shall become effective as of the date of its execution and delivery by the Issuer and the Trustee or such later date as shall be specified in such Supplemental Indenture.

A Supplemental Indenture will be deemed to not materially adversely affect the Holders of any Bonds that are subject to mandatory tender on or before the effective date of the Supplemental Indenture.

Section 10.2 Supplemental Indentures Effective with Consent of Bondholders. At any time or from time to time, subject to Section 10.3(d) and (e) and Section 11.5(b), a Supplemental Indenture may be entered into by the Issuer and the Trustee subject to notice to and consent by Bondholders in accordance with and subject to the provisions of Article XI, which Supplemental Indenture, upon compliance with the provisions of said Article XI, shall become fully effective in accordance with its terms as provided in said Article XI.

Section 10.3 General Provisions.

(a) This Indenture shall not be modified or amended in any respect except as provided in and in accordance with and subject to the provisions of this Article X and Article XI. Nothing contained in this Article X or Article XI shall affect or limit the right or obligation of the Issuer to adopt, make, do, execute, acknowledge or deliver any resolution, act or other instrument pursuant to the provisions of Section 7.4 or the right or obligation of the Issuer to execute and deliver to any Fiduciary any instrument which elsewhere in this Indenture it is provided shall be delivered to said Fiduciary.

(b) Any Supplemental Indenture referred to and permitted or authorized by Section 10.1 may be entered into between the Issuer and the Trustee without the consent of any of the Bondholders, but shall become effective only on the conditions, to the extent and at the time provided in said Section. A copy of every Supplemental Indenture shall be accompanied by an Opinion of Counsel stating that such Supplemental Indenture has been duly and lawfully executed in accordance with the provisions of this Indenture, is authorized and permitted by this Indenture, and is valid and binding upon the Issuer and enforceable in accordance with its terms and that all conditions precedent relating to the execution of such Supplemental Indenture have been satisfied; provided, that such Opinion of Counsel may take customary exceptions, including as to the effect of, or for restrictions or limitations imposed by or resulting from, bankruptcy, insolvency, receivership, debt adjustment, moratorium, reorganization, arrangement, fraudulent conveyance, or other similar laws relating to or affecting creditors' rights generally, the application of equitable principles, the exercise of judicial discretion, limitations on legal remedies against public entities in the State, and the valid exercise of the sovereign police powers of the State and of the constitutional power of the United States of America and may state that no opinion is being rendered as to the availability of any particular remedy.

(c) The Trustee is hereby authorized to enter into any Supplemental Indenture referred to and permitted or authorized by Section 10.1 or Section 10.2 and to make all further agreements and stipulations which may be therein contained, and the Trustee, in taking such action, shall be entitled to receive and be fully protected in relying on an Opinion of Counsel that such Supplemental Indenture is authorized and permitted by the provisions of this Indenture and that all conditions precedent relating to the execution of such Supplemental Indenture have been satisfied. The Trustee shall not be obligated to enter into any Supplemental Indenture that adversely impacts its rights.

(d) No Supplemental Indenture shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto; provided, however this Section 10.3 shall not affect the rights of the Holders or the Issuer to remove the Trustee as provided in Section 9.8 herein.

(e) Notwithstanding Section 12.5, no Supplemental Indenture (or other amendment to this Indenture) shall change or modify (i) the order of priority of deposits to the Operating Fund or the Commodity Swap Reserve Account as set forth in clauses (i) and (iii) of Section 5.5(a), respectively, (ii) the Minimum Amount to be maintained in the Commodity Swap Reserve Account, or the purposes to which amounts on deposit in such Commodity Swap Reserve Account may be applied, as set forth in Section 5.3(b), (iii) the priority of the application of funds following an Event of Default as set forth in Section 8.3, (iv) the definition of Operating Expenses, (v) the security for payments to be made pursuant to this Indenture to the Commodity Swap Counterparty, any Interest Rate Swap Counterparty and the Commodity Supplier, as purchaser under the Receivables Purchase Provisions, (vi) any of the rights or interests of the Commodity Swap Counterparty, any Interest Rate Swap Counterparty (if any) or the Commodity Supplier, as purchaser under the Receivables Purchase Provisions, granted herein or in the Issuer Commodity Swap, any Interest Rate Swap or the Receivables Purchase Provisions, as the case may be, or (vii) the provisions of Section 5.3(c), Section 5.7(h) or Section 5.8(b) regarding the sale by the Trustee of Call Receivables or Put Receivables, respectively, in respect of a Swap Payment Deficiency, (A) in each case unless the prior written consent of each Commodity Swap Counterparty has been obtained, and each Commodity Swap Counterparty shall have full right to enforce this provision, and (B) in the case of clauses (v) and (vi) of this Section 10.3(e), unless the prior written consent of any Interest Rate Swap Counterparty and/or the Commodity Supplier, as applicable, has been obtained.

ARTICLE XI

AMENDMENTS

Section 11.1 Mailing. Any provision in this Article XI for the mailing of a notice or other paper to Bondholders shall be fully complied with if it is mailed postage prepaid only (a) to each registered owner of Bonds then Outstanding at its address, if any, appearing upon the registry books of the Issuer, and (b) to the Trustee.

Section 11.2 Powers of Amendment. Any modification or amendment of this Indenture and of the rights and obligations of the Issuer and of the Holders of the Bonds thereunder may be made by a Supplemental Indenture, subject to Section 10.3(e), with the written consent given as provided in Section 11.3: (a) of the Holders of not less than a majority in principal amount of Outstanding Bonds, and (b) in case the modification or amendment changes the terms of any Sinking Fund Installment, of the Holders of not less than a majority in principal amount of Outstanding Bonds of the particular maturity entitled to such Sinking Fund Installment; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like maturity remain Outstanding (or are subject to mandatory purchase) the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section 11.2; and provided further, however, that if such modification or amendment would adversely affect any Interest Rate Swap Counterparty, such modification or amendment shall be subject to the prior written consent of the Interest Rate Swap Counterparty. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the Holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto. For the purposes of this Section 11.2, the Bonds shall be

deemed to be affected by a modification or amendment of this Indenture if the same adversely affects or diminishes the rights of the Holders of Bonds in any material respect. The Trustee may in its discretion determine whether or not in accordance with the foregoing powers of amendment Bonds would be materially affected by any modification or amendment of this Indenture and any such determination shall be binding and conclusive on the Issuer and all Holders of Bonds. For purposes of this Section 11.2, the Holders of any Bonds may include the initial Holders thereof, regardless of whether such Bonds are being held for resale.

Section 11.3 Consent of Bondholders. The Issuer and the Trustee may at any time enter into a Supplemental Indenture making a modification or amendment permitted by the provisions of Section 11.2 to take effect when and as provided in this Section 11.3. A copy of such Supplemental Indenture (or brief summary thereof or reference thereto in form approved by the Trustee), together with a request to Bondholders for their consent thereto in form satisfactory to the Trustee, shall be mailed by the Issuer to Bondholders (but failure to mail such copy and request shall not affect the validity of the Supplemental Indenture when consented to as in this Section 11.3 provided). Such Supplemental Indenture shall not be effective unless and until there shall have been filed with the Trustee (a) the written consents of Holders of the percentages of Outstanding Bonds specified in Section 11.2, subject to Section 11.5(b), (b) the written consent of any Interest Rate Swap Counterparty if required by Section 11.2, and (c) an Opinion of Counsel stating that such Supplemental Indenture has been duly and lawfully executed by the Issuer in accordance with the provisions of this Indenture, is authorized and permitted by this Indenture and is valid and binding upon the Issuer and enforceable in accordance with its terms and the conditions precedent relating to the execution of such Supplemental Indenture have been satisfied, subject to any applicable bankruptcy, insolvency or other laws affecting creditors' rights generally and may state that no opinion is being rendered as to the availability of any particular remedy. For purposes of clause (a) of the preceding sentence, the written consent of the Bondholder shall be deemed to have been received if the amendment is expressly referred to in the Supplemental Indenture authorizing such Bonds and in the text of such Bonds and such Bonds recite that such Bondholder shall be deemed to have consented to such amendments by accepting such Bonds. Otherwise, each such consent shall be effective only if accompanied by proof of the holding, at the date of such consent, of the Bonds with respect to which such consent is given, which proof shall be such as is permitted by Section 12.2. A certificate or certificates executed by the Trustee and filed with the Trustee and the Issuer stating that it has examined such proof and that such proof is sufficient in accordance with Section 12.2 shall be conclusive that the consents have been given by the Holders of the Bonds described in such certificate or certificates of the Trustee. Any such consent shall be irrevocable and shall be binding upon the Holder of the Bonds giving such consent and, anything in Section 12.2 to the contrary notwithstanding, upon any subsequent Holder of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent Holder thereof has notice of such consent). At any time after the Holders of the required percentages of Bonds shall have filed their consents to the Supplemental Indenture (or have deemed to have consented to such Supplemental Indenture), the Trustee shall make and file with the Trustee and the Issuer a written statement that the Holders of such required percentages of Bonds have consented to, such Supplemental Indenture. Such written statements shall be conclusive that such consents have been received. At any time thereafter, notice stating in substance that the Supplemental Indenture (which may be referred to as a Supplemental Indenture entered into by the Issuer and the Trustee on a stated date, a copy of which is on file with the Trustee) has been consented to by the Holders of the required percentages of Bonds and will be effective as provided in this Section 11.3, may be given to Bondholders by the Trustee by mailing such notice to Bondholders (but failure to mail such notice shall not prevent such Supplemental Indenture from becoming effective and binding as in this Section 11.3 provided). A record,

consisting of the certificates or statements required or permitted by this Section 11.3 to be made by the Trustee, shall be proof of the matters therein stated.

Section 11.4 Notifications by Unanimous Consent. The terms and provisions of this Indenture and the rights and obligations of the Issuer and of the Holders of the Bonds thereunder may be modified or amended in any respect upon the execution of a Supplemental Indenture by the Trustee and the Issuer, the consent of the Holders of all of the Bonds then Outstanding (such consent to be given as provided in Section 11.3), and the consent of any Interest Rate Swap Counterparty if required by Section 11.2; provided, however, that no such modification or amendment shall change or modify any of the rights or obligations of any Fiduciary or any of the provisions referenced in Section 10.3(e) without the filing with the Trustee of the written assent thereto of such Fiduciary or the Commodity Swap Counterparty, respectively, in addition to the consent of the Bondholders.

Section 11.5 Exclusion of Bonds.

(a) Bonds owned or held by or for the account of the Issuer shall not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Article XI, and the Issuer shall not be entitled with respect to such Bonds to give any consent or take any other action provided for in this Article XI. At the time of any consent or other action taken under this Article XI, the Issuer shall furnish the Trustee a certificate of an Authorized Officer, upon which the Trustee may rely, describing all Bonds so to be excluded.

(b) Bonds for which a Bondholder has submitted a notice of abstention in response to a request for consent received pursuant to Section 11.3 shall not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Article XI with respect to any Supplemental Indenture to be entered into by the Issuer and the Trustee; provided, that, such notice of abstention shall not apply with respect to any proposed amendments of Section 8.1.

Section 11.6 Notation on Bonds. Bonds authenticated and delivered after the effective date of any action taken as provided in Article X or this Article XI may, and, if the Trustee so determines, shall, bear a notation by endorsement or otherwise in form approved by the Issuer and the Trustee as to such action, and in that case upon demand of the Holder of any Bond Outstanding at such effective date and presentation of its Bond for the purpose at the principal corporate trust office of the Trustee or upon any transfer or exchange of any Bond Outstanding at such effective date, suitable notation shall be made on such Bond or upon any Bond issued upon any such transfer or exchange by the Trustee as to any such action. If the Issuer or the Trustee shall so determine, new Bonds so modified as in the opinion of the Trustee and the Issuer to conform to such action shall be prepared, authenticated and delivered, and upon demand of the Holder of any Bond then Outstanding shall be exchanged, without cost to such Bondholder, for Bonds of the same maturity then Outstanding, upon surrender of such Bonds.

ARTICLE XII

MISCELLANEOUS

Section 12.1 Defeasance.

(a) If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of all Bonds the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated in the Bonds and in this Indenture and shall pay or cause to be paid all amounts due or to become due to any Interest Rate Swap Counterparty under the Interest Rate Swap, then the pledge of all covenants, agreements and other obligations of the Issuer to the Bondholders, shall thereupon cease, terminate and be discharged and satisfied except for remaining rights of registration of transfer and exchange of Bonds; provided, however, that this Indenture shall not be discharged until (i) the Issuer shall have paid and satisfied all claims, charges and expenses that constitute Operating Expenses hereunder, (ii) the Trustee shall have received an Opinion of Counsel to the effect that all conditions precedent to the satisfaction and discharge of this Indenture have been fulfilled, and (iii) receipt by the Trustee of a Rating Confirmation. In such event, the Trustee shall cause an accounting for such period or periods as shall be requested by the Issuer to be prepared and filed with the Issuer and, upon the request of the Issuer, shall execute and deliver to the Issuer all such instruments as may be desirable to evidence such discharge and satisfaction, and the Fiduciaries shall pay over or deliver to the Issuer all moneys or securities held by them pursuant to this Indenture which are not required for the payment of principal or Redemption Price, if applicable, on Bonds not theretofore surrendered for such payment or redemption. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of any Outstanding Bonds the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Indenture, such Bonds shall cease to be entitled to any lien, benefit or security under this Indenture, and all covenants, agreements and obligations of the Issuer to the Holders of such Bonds shall thereupon cease, terminate and be discharged and satisfied except for remaining rights of registration of transfer and exchange of Bonds.

(b) Bonds or interest installments for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Paying Agents (through deposit by the Issuer of funds for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in subsection (a). In addition, any Outstanding Bonds shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in subsection (a) upon compliance with the provisions of subsection (c).

(c) Subject to the provisions of subsection (d) of this Section 12.1, any Outstanding Bonds shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section 12.1 if (i) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Issuer shall have given to the Trustee irrevocable written instructions accepted in writing by the Trustee to mail as provided in Article IV notice of redemption of such Bonds (other than Bonds which have been purchased by the Trustee at the direction of the Issuer or purchased or otherwise acquired by the Issuer and delivered to the Trustee as hereinafter provided prior to the mailing of such notice of redemption) on said date, (ii) there shall have been deposited with the Trustee either moneys (including moneys withdrawn and deposited pursuant to Section 5.7(f)) in an amount which shall be

sufficient, or Defeasance Securities (including any Defeasance Securities issued or held in book-entry form on the books of the Department of the Treasury of the United States) the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient, to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on said Bonds (with such interest being calculated at the Maximum Rate with respect to any Bonds with interest rates that are not fixed to their redemption or maturity date, as applicable) on or prior to the redemption date or maturity date thereof, as the case may be, and (iii) in the event said Bonds are not by their terms subject to redemption within the next succeeding 60 days, the Issuer shall have given the Trustee in form satisfactory to it irrevocable written instructions to mail, as soon as practicable, a notice to the Holders of such Bonds at their last addresses appearing upon the registry books at the close of business on the last Business Day of the month preceding the month for which notice is mailed that the deposit required by (ii) above has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this Section 12.1 and stating such maturity or redemption date upon which moneys are expected, subject to the provisions of subsection (d) of this Section 12.1, to be available for the payment of the principal or Redemption Price, if applicable, on said Bonds (other than Bonds which have been purchased by the Trustee at the direction of the Issuer or purchased or otherwise acquired by the Issuer and delivered to the Trustee as hereinafter provided prior to the mailing of the notice of redemption referred to in clause (i)). Any notice of redemption mailed pursuant to the preceding sentence with respect to Bonds which constitute less than all of the Outstanding Bonds of any maturity shall specify the letter and number or other distinguishing mark of each such Bond. The Trustee shall, as and to the extent necessary, apply moneys held by it pursuant to this Section 12.1 to the retirement of said Bonds in amounts equal to the unsatisfied balances (determined as provided in Section 12.1) of any Sinking Fund Installments with respect to such Bonds, all in the manner provided in this Indenture. The Trustee shall, if so directed by the Issuer (A) prior to the maturity date of Bonds deemed to have been paid in accordance with this Section 12.1 which are not to be redeemed prior to their maturity date or (B) prior to the mailing of the notice of redemption referred to in clause (i) above with respect to any Bonds deemed to have been paid in accordance with this Section 12.1 which are to be redeemed on any date prior to their maturity, apply moneys deposited with the Trustee in respect of such Bonds and redeem or sell Defeasance Securities so deposited with the Trustee and apply the proceeds thereof to the purchase of such Bonds and, the Trustee shall immediately thereafter cancel all such Bonds so purchased; provided, however, that the moneys and Defeasance Securities remaining on deposit with the Trustee after the purchase and cancellation of such Bonds (or the deemed cancellation thereof) shall be sufficient to pay when due the Principal Installment or Redemption Price, if applicable, and interest due or to become due on all Bonds (calculated as described above), in respect of which such moneys and Defeasance Securities are being held by the Trustee on or prior to the redemption date or maturity date thereof, as the case may be. If, at any time (1) prior to the maturity date of Bonds deemed to have been paid in accordance with this Section 12.1 which are not to be redeemed prior to their maturity date or (2) prior to the mailing of the notice of redemption referred to in clause (i) with respect to any Bonds deemed to have been paid in accordance with this Section 12.1 which are to be redeemed on any date prior to their maturity, the Issuer shall purchase or otherwise acquire any such Bonds and deliver such Bonds to the Trustee prior to their maturity date or redemption date, as the case may be, the Trustee shall immediately cancel all such Bonds so delivered; such delivery of Bonds to the Trustee shall be accompanied by directions from the Issuer to the Trustee as to the manner in which such Bonds are to be applied against the obligation of the Trustee to pay or redeem Bonds deemed paid in accordance with this Section 12.1. The directions given by the Issuer to the Trustee referred to in the preceding sentences shall also specify the portion, if any, of such Bonds so purchased or delivered and cancelled or deemed cancelled to be applied against the obligation of the

Trustee to pay Bonds deemed paid in accordance with this Section 12.1 upon their maturity date or dates and the portion, if any, of such Bonds so purchased or delivered and cancelled or deemed cancelled to be applied against the obligation of the Trustee to redeem Bonds deemed paid in accordance with this Section 12.1 on any date or dates prior to their maturity. In the event that on any date as a result of any purchases, acquisitions and cancellations or deemed cancellations of Bonds as provided in this Section 12.1 the total amount of moneys and Defeasance Securities remaining on deposit with the Trustee under this Section 12.1 is in excess of the total amount which would have been required to be deposited with the Trustee on such date in respect of the remaining Bonds in order to satisfy clause (ii) of this subsection (c) of Section 12.1, the Trustee shall, if requested by the Issuer, pay the amount of such excess to the Issuer free and clear of any trust, lien, security interest, pledge or assignment securing said Bonds or otherwise existing under this Indenture. Except as otherwise provided in subsections (c) and (d) of this Section 12.1, neither Defeasance Securities nor moneys deposited with the Trustee pursuant to this Section 12.1 nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if applicable, and interest on said Bonds; provided that any cash received from such principal or interest payments on such Defeasance Securities deposited with the Trustee, (x) to the extent such cash will not be required at any time for such purpose, shall be paid over to the Issuer as received by the Trustee, free and clear of any trust, lien or pledge securing said Bonds or otherwise existing under this Indenture, and (y) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Qualified Investments maturing at times and in amounts sufficient to pay when due the principal or Redemption Price, if applicable, and interest to become due on said Bonds on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the Issuer, as received by the Trustee, free and clear of any trust, lien, security interest, pledge or assignment securing said Bonds or otherwise existing under this Indenture. In connection with any such deposit of Defeasance Securities, or any determination of the sufficiency or remaining sufficiency thereof, for any of the purposes described in this Section 12.1, there shall be delivered to the Trustee, on which it shall be entitled to rely, a verification report of an independent certified public accountant, verification agent or similar expert to the effect that such Defeasance Securities, together with investment earnings thereon (and other available cash deposited with the Trustee at the same time for the applicable purpose), will be sufficient to pay when and as due and payable the principal (or Redemption Price, if applicable), interest, and premium, if applicable, on the applicable Bonds to redemption or maturity, as applicable.

(d) Anything in this Indenture to the contrary notwithstanding, any moneys held by a Fiduciary in trust for the payment and discharge of any of the Bonds which remain unclaimed for two years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Fiduciary at such date, or for two years after the date of deposit of such moneys if deposited with the Fiduciary after the said date when such Bonds became due and payable, shall, at the Written Request of the Issuer, be repaid by the Fiduciary to the Issuer, as its absolute property and free from trust, and the Fiduciary shall thereupon be released and discharged with respect thereto and the Bondholders shall look only to the Issuer for the payment of such Bonds; provided, however, that before being required to make any such payment to the Issuer the Fiduciary shall, at the expense of the Issuer, cause to be published at least twice, at an interval of not less than seven days between publications, in the Authorized Newspaper, a notice that said moneys remain unclaimed and that, after a date named in said notice, which date shall be not less than 30 days after the date of the first publication of such notice, the balance of such moneys then unclaimed will be returned to the Issuer.

Section 12.2 Evidence of Signatures of Bondholders and Ownership of Bonds.

(a) Any request, consent, revocation of consent or other instrument which this Indenture may require or permit to be signed and executed by the Bondholders may be in one or more instruments of similar tenor, and, except as otherwise provided in Section 11.3, shall be signed or executed by such Bondholders in person or by their attorneys appointed in writing. Proof of (1) the execution of any such instrument, or of an instrument appointing any such attorney, or (2) the holding by any Person of the Bonds shall be sufficient for any purpose of this Indenture (except as otherwise therein expressly provided) if made in the following manner, or in any other manner satisfactory to the Trustee, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

(i) The fact and date of the execution by any Bondholder or its attorney of such instruments may be proved by a guarantee of the signature thereon by a bank or trust company or by the certificate of any notary public or other officer authorized to take acknowledgments of deeds, that the Person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such signature, guarantee, certificate or affidavit shall also constitute sufficient proof of its authority.

(ii) The amount of Bonds transferable by delivery held by any Person executing any instrument as a Bondholder, the date of holding such Bonds, and the numbers and other identification thereof, may be proved by a certificate, which need not be acknowledged or verified, in form satisfactory to the Trustee, executed by the Trustee or by a member of a financial firm or by an officer of a bank, trust company, insurance company, or financial corporation or other depository wherever situated, showing at the date therein mentioned that such Person exhibited to such member or officer or had on deposit with such depository the Bonds described in such certificate. Such certificate may be given by a member of a financial firm or by an officer of any bank, trust company, insurance company or financial corporation or depository with respect to Bonds owned by it, if acceptable to the Trustee. In addition to the foregoing provisions, the Trustee may from time to time make such reasonable regulations as it may deem advisable permitting other proof of holding of Bonds transferable by delivery.

(b) The ownership of Bonds registered other than to bearer and the amount, numbers and other identification, and date of holding the same shall be proved by the registry books.

(c) Any request or consent by the owner of any Bond shall bind all future owners of such Bond in respect of anything done or suffered to be done by the Issuer or any Fiduciary in accordance therewith.

Section 12.3 Moneys Held for Particular Bonds. The amounts held by any Fiduciary for the payment of the interest, principal or Redemption Price due on any date with respect to particular Bonds shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Holders of the Bonds entitled thereto.

Section 12.4 Preservation and Inspection of Documents. Upon reasonable advance written notice, but in no event with less than 30 calendar days' prior written notice, all documents received by any Fiduciary under the provisions of this Indenture shall, at all times during regular

business hours (upon reasonable prior written notice) be subject to the inspection of the Issuer, any other Fiduciary, and any Bondholder and their agents and their representatives, any of whom may make copies thereof, subject to such Fiduciary's policies and such reasonable regulations as such Fiduciary may from time to time determine to be required by law.

Section 12.5 Parties Interested Herein. Nothing in this Indenture expressed or implied, except for the rights and interests of the Commodity Swap Counterparty, the Interest Rate Swap Counterparty (if any) and the Commodity Supplier, as purchaser under the Receivables Purchase Provisions, as described in Section 10.3(e), and the lien on the Commodity Swap Reserve Account granted to the Commodity Swap Counterparty, is intended or shall be construed to confer upon, or to give to, any Person, other than the Issuer, the Fiduciaries, the Holders of the Bonds and any Depository, any right, remedy or claim under or by reason of this Indenture or any covenant, condition or stipulation thereof; and, except for the lien on the Commodity Swap Reserve Account granted to the Commodity Swap Counterparty as provided in Section 10.3(e), all the covenants, stipulations, promises and agreements in this Indenture contained by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Fiduciaries, the Holders of the Bonds and any Depository.

Section 12.6 No Recourse on the Bonds. No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this Indenture against any source other than the Trust Estate as provided in this Indenture, including against any member of the Commission, the Project Participant and its governing body and officers, or any Person executing the Bonds.

Section 12.7 Publication of Notice; Suspension of Publication.

(a) Any publication to be made under the provisions of this Indenture in successive weeks or on successive dates may be made in each instance upon any Business Day of the week and need not be made in the same Authorized Newspaper for any or all of the successive publications but may be made in a different Authorized Newspaper.

(b) If, because of the temporary or permanent suspension of the publication or general circulation of any Authorized Newspaper or for any other reason, it is impossible or impractical to publish any notice pursuant to this Indenture in the manner herein provided, then such publication in lieu thereof as shall be made by the Issuer with the written approval of the Trustee shall constitute a sufficient publication of such notice.

Section 12.8 Severability of Invalid Provisions. If any one or more of the covenants or agreements provided in this Indenture on the part of the Issuer or any Fiduciary to be performed should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this Indenture.

Section 12.9 Holidays. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Indenture, shall not be a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this Indenture, and no interest shall accrue for the period after such nominal date.

Section 12.10 Notices. Except as otherwise provided herein, all notices, requests, demands and other communications required or permitted under this Indenture shall be deemed to have been duly given if delivered or mailed, first class, postage prepaid (or sent by Electronic Means, confirmed by mail, as aforesaid), as follows:

If to the Issuer:

Central Valley Energy Authority
c/o Turlock Irrigation District
333 East Canal Drive
Turlock, California 95380
Attention:
Telephone:
Facsimile:
Email:

If to the Trustee, the Bond Registrar, the Paying Agent, the Custodian or the Calculation Agent:

U.S. Bank Trust Company, National Association
2 Concourse Parkway, Suite 800
Atlanta, Georgia 30328
Attention: Mark Hallam
Telephone: (404) 898-2463
Facsimile: (404) 365-7946
Email: Mark.Hallam@usbank.com

or to such other Person or addresses as the respective party hereafter designates in writing to the Issuer and the Trustee.

Section 12.11 Notices to Rating Agencies. The Issuer shall provide to each Rating Agency rating the Bonds at the time: (a) notice of any amendment to this Indenture, the Commodity Purchase Agreement, any Commodity Swap, the Commodity Supply Contract or any other document relating to the Bonds or the Commodity Project; and (b) each notice provided to the Municipal Securities Rulemaking Board, through its EMMA system, pursuant to the Continuing Disclosure Undertaking executed by the Issuer in connection with the issuance of the Bonds.

Section 12.12 Counterparts. This Indenture may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original; and such counterparts shall constitute but one and the same instrument.

Section 12.13 Waiver of Jury Trial. Each party hereby knowingly, voluntarily, and intentionally waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any proceeding involving, directly or indirectly, any matter in any way arising out of, or related to or connected with this Indenture or any other transaction document, the transactions contemplated hereby or thereby, or the relationship established hereunder or thereunder, and agrees that any such proceeding shall be tried before a judge sitting without a jury.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, Central Valley Energy Authority has caused this Indenture to be signed in its own name and on its behalf by its [Executive Director][Treasurer] and attested by its Secretary or Deputy Secretary, and as evidence of its acceptance of the trusts hereby created, U.S. Bank Trust Company, National Association, the duly authorized Trustee, has caused this Indenture to be signed in its name and on its behalf by one of its officers duly authorized, all as of the date first above written.

CENTRAL VALLEY ENERGY AUTHORITY

By:_____
[Executive Director][Treasurer]

ATTEST

_____
Executive Secretary

U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION, as Trustee

By:_____
Authorized Officer

EXHIBIT A

FORM OF BONDS

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

REGISTERED REGISTERED

No. R- __ $_____

UNITED STATES OF AMERICA

STATE OF CALIFORNIA

CENTRAL VALLEY ENERGY AUTHORITY
COMMODITY SUPPLY REVENUE BONDS, SERIES 2025

MATURITY DATE	ISSUE DATE	CUSIP	INTEREST RATE
	_____, 2025		Fixed

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

Central Valley Energy Authority (the "Issuer"), a joint powers authority and public entity of the State of California, acknowledges itself indebted and for value received hereby promises to pay, in the manner and from the source hereinafter provided, to the registered owner identified above, or registered assigns, on the Maturity Date stated above, unless this Bond shall have been called for redemption and payment of the Redemption Price shall have been duly made or provided for, upon presentation and surrender hereof, the principal amount identified above, and to pay, in the manner and from the source hereinafter provided, to the registered owner hereof interest on the balance of said principal amount from time to time remaining unpaid at the rate set forth above, until payment in full of such principal amount.

This Bond bears interest from the Issue Date specified above, or from the most recent interest payment date to which interest has been paid or duly provided for, at the rate per annum set forth above, computed on the basis of a 360-day year consisting of twelve 30-day months, payable on _____ 1 and _____ 1 of each year, commencing _____ 1, 2025; provided that, if a Ledger Event occurs under the Commodity Purchase Agreement, this Bond shall bear interest at the

Increased Interest Rate of 8.00% per annum during an Increased Interest Rate Period that begins on the day on which such Ledger Event occurs. If the Increased Interest Rate Period ends due to the occurrence of a Termination Payment Event, then this Bond shall bear interest at the interest rate shown above from the date of such Termination Payment Event to the associated extraordinary redemption date of the Bonds established pursuant to the Indenture.

THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER AND THE PRINCIPAL AND REDEMPTION PRICE OF, AND INTEREST ON, THE BONDS ARE PAYABLE SOLEY FROM THE TRUST ESTATE. THE BONDS DO NOT CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE ISSUER, BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS PROVIDED THEREFOR UNDER THE INDENTURE. THE ISSUER SHALL NOT BE OBLIGATED TO PAY THE PRINCIPAL OR THE REDEMPTION PRICE OF OR INTEREST ON THE BONDS EXCEPT FROM THE FUNDS PROVIDED THEREFOR UNDER THE INDENTURE AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE ISSUER, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE BONDS. THE ISSUANCE OF THE BONDS SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY OR TO PLEDGE ANY FORM OF TAXATION OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. THE ISSUER HAS NO TAXING POWER**.**

This Bond and the issue of Bonds of which it is a part are issued in conformity with and after full compliance with the Constitution of the State of California and pursuant to the provisions of the Act as defined in the Indenture and all other laws applicable thereto.

This Bond is a special, limited obligation of the Issuer and is one of the Commodity Supply Revenue Bonds, Series 2025 (the *"Bonds"*) under and by virtue of the Act and pursuant to an Trust Indenture, dated as of January 1, 2025 (the *"Indenture"*), between the Issuer and U.S. Bank Trust Company, National Association, as trustee (the *"Trustee"*), for the purpose of providing funds to pay the Cost of Acquisition of the Issuer's Commodity Project. The aggregate principal amount of Bonds issued pursuant to the Indenture is limited to $[PAR AMOUNT]. This Bond is one of the Series of Bonds designated as "Commodity Supply Revenue Bonds, Series 2025" dated as of the Issue Date identified above.

All Bonds issued and to be issued under the Indenture are and will be equally and ratably secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in or pursuant to the Indenture.

Copies of the Indenture are on file at the office of the Issuer in Turlock, California, and at the designated corporate trust office of U.S. Bank Trust Company, National Association, in [_____, _____,] and reference to the Indenture and the Act is made for a description of the pledge and covenants securing the Bonds, the nature, manner and extent of enforcement of such pledge and covenants, the terms and conditions upon which the Bonds were issued thereunder, and a statement of the rights, duties, immunities and obligations of the Issuer and of the Trustee. Such pledge and other obligations of the Issuer under the Indenture may be discharged at or prior to the maturity or redemption of the Bonds upon the making of provision for the payment thereof on the terms and conditions set forth in the Indenture.

Except as otherwise provided herein and unless the context clearly indicates otherwise, words and phrases used herein shall have the same meanings as such words and phrases in the Indenture.

The Issuer has established a book-entry system of registration for the Bonds. Except as specifically provided otherwise in the Indenture, a Securities Depository (or its nominee) will be the registered owner of this Bond. By acceptance of a confirmation of purchase, delivery or transfer, the Beneficial Owner of this Bond shall be deemed to have agreed to this arrangement. The Securities Depository (or its nominee), as registered owner of this Bond, shall be treated as the owner of it for all purposes.

The Issuer will pay the principal, Purchase Price and Redemption Price of and interest on this Bond solely from the Revenues and the other funds and amounts pledged therefor pursuant to the Indenture. Interest will accrue on the unpaid portion of the principal of this Bond from the last date to which interest was paid or duly provided for or, if no interest has been paid or duly provided for, from the date of the original issuance of the Bonds, until the entire principal amount of this Bond is paid or duly provided for, and such interest shall be paid in the manner and on the Interest Payment Dates specified in the Indenture.

The Bonds are subject to acceleration, redemption and purchase prior to maturity upon the circumstances, at the times, in the amounts, upon payment of the amounts, with the notice, upon the other terms and provisions and with the effect set forth in the Indenture.

This Bond may be transferred or exchanged as provided in the Indenture. The Issuer and the Trustee may treat and consider the person in whose name this Bond is registered as the Holder and the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal, purchase price or Redemption Price hereof and interest due hereon and for all other purposes whatsoever.

To the extent and in the respects permitted by the Indenture, the Indenture may be modified or amended by action on behalf of the Issuer taken in the manner and subject to the conditions and exceptions prescribed in the Indenture.

The Holder or Beneficial Owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the pledge or covenants made therein or to take any action with respect to an Event of Default under the Indenture or to institute, appear in, or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of California or by the Act or the Indenture to exist, to have happened or to have been performed precedent to or in the issuance of this Bond exist, have happened and have been performed and that the issue of Bonds, together with all other indebtedness of the Issuer, is within every debt and other limit prescribed by said Constitution and statutes.

This Bond shall not be valid until the Certificate of Authentication hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, Central Valley Energy Authority has caused this Bond to be signed in its name and on its behalf by the manual or facsimile signature of its President, and attested by the manual or facsimile signature of its Secretary or Deputy Secretary, all as of the issue date specified above.

CENTRAL VALLEY ENERGY AUTHORITY

By:_____
President

ATTEST:

_____
Executive Secretary

[FORM OF CERTIFICATE OF AUTHENTICATION]

This Bond is one of the Bonds described in the within mentioned Indenture and is one of the Central Valley Energy Authority Commodity Supply Revenue Bonds, Series 2025.

Date of registration and authentication: _____, 2025.

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

By:_____
Authorized Officer

Customary abbreviations may be used in the name of a Bondholder or an assignee, such as TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian) and U/T/M/A (= Uniform Transfers to Minors Act).

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	—	as tenants in common	UNIF TRAN MIN ACT	
TEN ENT	—	as tenants by the entirety	_____ Custodian _____	
JT TEN	—	as joint tenants with right	(Cust)	(Minor)

of survivorship and not as under Uniform Transfers to Minors Act of

tenants in common _____
(State)

Additional abbreviations may also be used though not in list above.

[**FORM OF ASSIGNMENT**]

For Value Received, the undersigned sells, assigns and transfers unto _____

_____

PLEASE INSERT SOCIAL SECURITY OR
OTHER IDENTIFYING NUMBER OF ASSIGNEE

_____

(Name and Address of Assignee)

_____

the within Bond of Central Valley Energy Authority, and hereby irrevocably constitutes and appoints

_____

attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Date: _____

SIGNATURE GUARANTEED:

_____

NOTICE: Signature(s) must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Trustee, which requirements include membership or participation in STAMP or such other "signature guarantee program" as may be determined by the Trustee in addition to, or in substitution for, STAMP, all in accordance with the Securities and Exchange Act of 1934, as amended.

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

EXHIBIT B

FORM OF INDEX RATE DETERMINATION CERTIFICATE

Re: Central Valley Energy Authority Commodity Supply Revenue Bonds, Series 2025 (the "Bonds")

Reference is made to Section 2.9 of the Trust Indenture, dated as of January 1, 2025 (the "Indenture"), between Central Valley Energy Authority (the "Issuer") and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), relating to the above-captioned Bonds. Capitalized terms used and not otherwise defined herein have the meanings assigned to them in the Indenture.

The undersigned Authorized Officer of the Issuer hereby notifies the Trustee as follows with respect to the Index Rate Period commencing on the date hereof:

(i) the Index Rate shall be the [SIFMA/SOFR] Index Rate and the Index Rate Period shall be _____;

(ii) if the Index Rate shall be the SOFR Index Rate, (A) the SOFR Index shall be the "Secured Overnight Financing Rate" reported on the NY Federal Reserve's Website, or reported by any successor to the Federal Reserve Bank of New York as administrator of such Secured Overnight Financing Rate, as of 3:00 p.m. on each SOFR Publish Date representing the SOFR Index as of the third Business Day preceding the [Initial Issue Date][Index Rate Reset Date], which will be used to calculate interest for the SOFR Effective Period beginning on such [Initial Issue Date][Index Rate Reset Date] (the "SOFR Effective Date") [(for example, for purposes of determining the SOFR Index for a SOFR Effective Date of Thursday, February 13, 2025, the Calculation Agent uses the SOFR Index published on the SOFR Publish Date of Tuesday, February 11, 2025, which is the SOFR Index for the SOFR Lookback Date of Monday, February 10, 2025)], (B) the Applicable Factor, as determined by the Underwriter or the Remarketing Agent, as the case may be, shall be ___% of the SOFR Index and (C) the Applicable Spread, as determined by the Underwriter or the Remarketing Agent, as the case may be, shall be ____ basis points (___%).

(iii) if, during any [SIFMA/SOFR] Index Rate Period, the [SIFMA/SOFR] Index Rate is not reported by, or otherwise ceases to be available from, the relevant source, the substitute or replacement Index Rate, as determined by the Issuer, for the Index Rate Period shall be the substitute determined in writing by the Issuer;

(iv) the Index Rate Tender Date shall be _____;

(v) the Interest Payment Date[s] shall be _____;

(vi) the Index Rate Reset Date[s] shall be _____;

(vii) for a Series of Bonds bearing interest at the SIFMA Index Rate, the Index Rate Reset Date[s] shall be _____ [Thursday of each week, or if the SIFMA Index is not issued on Wednesday of such week, the Business Day next succeeding the day on which the SIFMA Index for such week is issued]; and

(viii) for a Series of Bonds bearing interest at the SOFR Index Rate, the SOFR Effective Date shall be [each Business Day][[_____], 20[___]].

IN WITNESS WHEREOF, I have set forth my hand this _____ day of _____.

CENTRAL VALLEY ENERGY AUTHORITY

By:_____
Name:_____
Title:_____

Please sign below to signify your acknowledgement of receipt of this Certificate and, as to the Underwriter or the Remarketing Agreement, as the case may be, your agreement with the terms set forth herein.

ACKNOWLEDGED AND RECEIVED:

U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION, as Trustee

By:_____
Name:_____
Title:_____

ACKNOWLEDGED, RECEIVED AND AGREED TO:

[_____]
as Underwriter

By:_____
Name:_____
Title:_____

EXHIBIT C

FORM OF INDEX RATE CONTINUATION NOTICE

Re: Central Valley Energy Authority Commodity Supply Revenue Bonds, Series 2025 (the "Bonds")

Reference is made to Section 2.9 of the Trust Indenture, dated as of January 1, 2025 (the "Indenture"), between Central Valley Energy Authority (the "Issuer") and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), relating to the above-captioned Bonds. Capitalized terms used and not otherwise defined herein have the meanings assigned to them in the Indenture.

The undersigned Authorized Officer of the Issuer hereby notifies the Trustee as follows with respect to the Index Rate Period commencing on the date hereof:

(i) the Index Rate shall be the [SIFMA/SOFR] Index Rate and the Index Rate Period shall be _____;

(ii) if the Index Rate shall be the SOFR Index Rate, (A) the SOFR Index shall be the "Secured Overnight Financing Rate" reported on the NY Federal Reserve's Website, or reported by any successor to the Federal Reserve Bank of New York as administrator of such Secured Overnight Financing Rate, as of 3:00 p.m. on each SOFR Publish Date representing the SOFR Index as of the third Business Day preceding the [Initial Issue Date][Index Rate Reset Date], which will be used to calculate interest for the SOFR Effective Period beginning on such [Initial Issue Date][Index Rate Reset Date] (the "SOFR Effective Date") (for example, for purposes of determining the SOFR Index for a SOFR Effective Date of [Thursday, February 13, 2025], the Calculation Agent uses the SOFR Index published on the SOFR Publish Date of [Tuesday, February 11, 2025], which is the SOFR Index for the SOFR Lookback Date of [Monday, February 10, 2025]), and (B) the Applicable Factor, as determined by the Underwriter or the Remarketing Agent, as the case may be, shall be __% of the SOFR Index.

(iii) the Applicable Spread for each Maturity Date, as determined by the Underwriter or the Remarketing Agent, as the case may be, shall be as follows:

Maturity Date	Applicable Spread	Maturity Date	Applicable Spread

(iv) if, during any SIFMA Index Rate Period, the SIFMA Index Rate is not reported by, or otherwise ceases to be available from, the relevant source, the substitute or replacement Index Rate, as determined by the Issuer, for the Index Rate Period shall be the substitute determined in writing by the Issuer;

(v) [the first day of the new Index Rate Period shall be _____;]

(vi) the Index Rate Tender Date shall be _____;

(vii) if a Liquidity Facility is to be in effect for the Bonds during the new Index Rate Period, the Liquidity Facility Provider shall be _____; and

(viii) the Index Rate Reset Date[s] shall be _____;

(ix) for a Series of Bonds bearing interest at the SIFMA Index Rate, the Index Rate Reset Date[s] shall be [_____] [Thursday of each week, or if the SIFMA Index is not issued on Wednesday of such week, the Business Day next succeeding the day on which the SIFMA Index for such week is issued]; and

(x) for a Series of Bonds bearing interest at the SOFR Index Rate, the SOFR Effective Date shall be [each Business Day][[_____], 20[___]].

.

IN WITNESS WHEREOF, I have set forth my hand this _____ day of _____.

CENTRAL VALLEY ENERGY AUTHORITY

By:_____
Name:_____
Title:_____

Please sign below to signify your acknowledgement of receipt of this Notice and, as to the Remarketing Agreement, your agreement with the terms set forth herein.

ACKNOWLEDGED AND RECEIVED:

U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION, as Trustee

By:_____
Name:_____
Title:_____

ACKNOWLEDGED, RECEIVED AND AGREED TO:

[_____**]**
as Remarketing Agent

By:_____
Name:_____
Title:_____

EXHIBIT D

**DIRECTION OF CENTRAL VALLEY ENERGY AUTHORITY
TO OPTIONALLY REDEEM
COMMODITY SUPPLY REVENUE BONDS, SERIES 2025**

To: U.S. Bank Trust Company, National Association, as Trustee (the "Trustee")

DIRECTION IS HEREBY GIVEN by Central Valley Energy Authority (the "Issuer") to the Trustee for the Issuer's Commodity Supply Revenue Bonds, Series 2025 (the "Bonds") issued pursuant to the Trust Indenture, dated as of January 1, 2025 between the Issuer and the Trustee (the "Indenture"), to call the Bonds for redemption on _____, ____ (the "Redemption Date") at a redemption price (the "Redemption Price"), calculated by a quotation agent selected by the Issuer, equal to [For Redemptions Under Section 4.3(a): the greater of (a) the Amortized Value of the Series 2025 Bonds as of the Redemption Date, plus accrued interest to the Redemption Date, or (b) the sum of the present values of the remaining unpaid payments of principal and interest to be paid on the Series 2025 Bonds to be redeemed from and including the Redemption Date (not including any portion of the interest accrued and unpaid as of the redemption date) to the earlier of the stated maturity date of such Series 2025 Bonds or the Series 2025 Mandatory Purchase Date, discounted to the Redemption Date on a semiannual basis at a discount rate equal to the Applicable Tax-Exempt Municipal Bond Rate for such Series 2025 Bonds minus [0.25]% per annum, plus accrued interest to the Redemption Date]; OR [For Redemptions Under Section 4.3(b) the Amortized Value of the Series 2025 Bonds as of the Redemption Date, plus $[0.__] per $1,000 of the principal amount thereof plus accrued interest to the Redemption Date, provided that, if the optional redemption date is the Mandatory Purchase Date, the Redemption Price shall be the principal amount thereof plus accrued and unpaid interest to the date of redemption].

"Amortized Value" means, with respect to any Series 2025 Bond to be redeemed when a Fixed Rate Period is in effect with respect to such Bond, the principal amount of such Bond multiplied by the price of such Bond expressed as a percentage, calculated by a major market maker in municipal securities, as the quotation agent, selected by the Issuer, based on the industry standard method of calculating bond prices (as such industry standard prevails on the date of delivery of the Bonds), with a delivery date equal to the date of redemption, a maturity date equal to the earlier of (a) the stated maturity date of such Bond or (b) the Fixed Rate Tender Date of such Bond and a yield equal to such Bond's original reoffering yield, which, in the case of the Series 2025 Bonds and certain dates, produces the amounts for all of the Series 2025 Bonds set forth in Schedule IV attached to the Indenture.

"Applicable Tax-Exempt Municipal Bond Rate" means, for the Series 2025 Bonds of any maturity, the "Comparable AAA General Obligations" yield curve rate for the year of such maturity or Mandatory Purchase Date, as applicable, as published by Refinitiv Global Markets, Inc. one Business Day prior to the date of this Notice of Conditional Optional Redemption. If no such yield curve rate is established for the applicable year, the "Comparable AAA General Obligations" yield curve rate for the two published maturities most closely corresponding to the applicable year shall be determined, and the Applicable Tax-Exempt Municipal Bond Rate will be interpolated or extrapolated from those yield curve rates on a straight-line basis. This rate is made available daily by Refinitiv Global Markets, Inc. and is available to its subscribers through the internet address: www.tm3.com. In calculating the Applicable Tax-Exempt Municipal Bond Rate, should Refinitiv

Global Markets, Inc. no longer publish the "Comparable AAA General Obligations" yield curve rate, then the Applicable Tax-Exempt Municipal Bond Rate shall equal the Consensus Scale yield curve rate for the applicable year. The Consensus Scale yield curve rate is made available daily by Municipal Market Analytics and is available to its subscribers through its internet address: www.mma-research.com. In the further event Municipal Market Analytics no longer publishes the Consensus Scale, the Applicable Tax-Exempt Municipal Bond Rate shall be determined by a major market maker in municipal securities, as the quotation agent, based upon the rate per annum equal to the annual yield to maturity, calculated using semi-annual compounding, of those tax-exempt general obligation bonds rated in the highest Rating Category by Moody's and S&P with a maturity date equal to the stated maturity date or Mandatory Purchase Date, as applicable, of such Bonds having characteristics (other than the ratings) most comparable to those of such Bonds in the judgment of the quotation agent. The quotation agent's determination of the Applicable Tax-Exempt Municipal Bond Rate shall be final and binding in the absence of manifest error on all parties and may be conclusively relied upon in good faith by the Trustee.

The quotation agent selected by the Issuer is _____. _____ shall calculate the Redemption Price and deliver it to you [one] Business Day prior to the date that notice of redemption is required to be given pursuant to Section 4.4 of the Indenture.

The Issuer hereby directs you to cause notice of such optional redemption to be given pursuant to the provisions set forth in Section 4.4 of the Indenture to the registered owner of each Bond being redeemed, at its address as it appears on the bond registration books of the Trustee or at such address as such owner may have filed with the Trustee for that purpose, as of the Regular Record Date (as defined in the Indenture), such notice to be mailed by first-class mail, postage prepaid, at least _____ (__) days prior to the Redemption Date, and such notice to be in substantially the form attached as Exhibit A hereto.

Dated: _____.

CENTRAL VALLEY ENERGY AUTHORITY

By:_____
Authorized Officer

ACKNOWLEDGED

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

By:_____
Name:_____
Title:_____

APPENDIX A

NOTICE OF CONDITIONAL OPTIONAL REDEMPTION
OF
CENTRAL VALLEY ENERGY AUTHORITY
COMMODITY SUPPLY REVENUE BONDS, SERIES 2025

NOTICE IS HEREBY GIVEN to the holders of CENTRAL VALLEY ENERGY AUTHORITY Commodity Supply Revenue Bonds, Series 2025 (the "Bonds"), which were issued on _____, 2025, that the Bonds listed below have been called for redemption prior to maturity on _____, 20[___] (the "Redemption Date"), at a redemption price (the "Redemption Price"), calculated by a quotation agent selected by the Issuer, equal to (a) [For Fixed Rate Bonds: [For Redemptions Under Section 4.3(a): the greater of (i) the Amortized Value of the Series 2025 Bonds as of the Redemption Date, plus accrued interest to the Redemption Date, or (ii) the sum of the present values of the remaining unpaid payments of principal and interest to be paid on the Series 2025 Bonds to be redeemed from and including the Redemption Date (not including any portion of the interest accrued and unpaid as of the redemption date) to the earlier of the stated maturity date(s) of such Series 2025 Bonds or the Series 2025 Mandatory Purchase Date, discounted to the Redemption Date on a semiannual basis at a discount rate equal to the Applicable Tax-Exempt Municipal Bond Rate for the Series 2025 Bonds minus [0.25]% per annum, plus accrued interest to the Redemption Date]; OR [For Redemptions Under Section 4.3(b) the Amortized Value of the Series 2025 Bonds as of the Redemption Date, plus $[0.__] per $1,000 of the principal amount thereof plus accrued interest to the Redemption Date, provided that, if the optional redemption date is the Mandatory Purchase Date, the Redemption Price shall be the principal amount thereof plus accrued and unpaid interest to the date of redemption].

"Amortized Value" means, with respect to any Series 2025 Bond to be redeemed when a Fixed Rate Period is in effect with respect to such Bond, the principal amount of such Bond multiplied by the price of such Bond expressed as a percentage, calculated by a major market maker in municipal securities, as the quotation agent, selected by the Issuer, based on the industry standard method of calculating bond prices (as such industry standard prevails on the date of delivery of the Bonds), with a delivery date equal to the date of redemption, a maturity date equal to the earlier of (a) the stated maturity date of such Bond or (b) the Fixed Rate Tender Date of such Bond and a yield equal to such Bond's original reoffering yield, which, in the case of the Series 2025 Bonds and certain dates, produces the amounts for all of the Series 2025 Bonds set forth in Schedule IV attached to the Indenture.

"Applicable Tax-Exempt Municipal Bond Rate" means, for the Series 2025 Bonds of any maturity, the "Comparable AAA General Obligations" yield curve rate for the year of such maturity or Mandatory Purchase Date, as applicable, as published by Refinitiv Global Markets, Inc. one Business Day prior to the date of this Notice of Conditional Optional Redemption. If no such yield curve rate is established for the applicable year, the "Comparable AAA General Obligations" yield curve rate for the two published maturities most closely corresponding to the applicable year shall be determined, and the Applicable Tax-Exempt Municipal Bond Rate will be interpolated or extrapolated from those yield curve rates on a straight-line basis. This rate is made available daily by Refinitiv Global Markets, Inc. and is available to its subscribers through the internet address: www.tm3.com. In calculating the Applicable Tax-Exempt Municipal Bond Rate, should Refinitiv Global Markets, Inc. no longer publish the "Comparable AAA General Obligations" yield curve rate,

then the Applicable Tax-Exempt Municipal Bond Rate shall equal the Consensus Scale yield curve rate for the applicable year. The Consensus Scale yield curve rate is made available daily by Municipal Market Analytics and is available to its subscribers through its internet address: www.mma-research.com. In the further event Municipal Market Analytics no longer publishes the Consensus Scale, the Applicable Tax-Exempt Municipal Bond Rate shall be determined by a major market maker in municipal securities, as the quotation agent, based upon the rate per annum equal to the annual yield to maturity, calculated using semi-annual compounding, of those tax-exempt general obligation bonds rated in the highest Rating Category by Moody's and S&P with a maturity date equal to the stated maturity date or Mandatory Purchase Date, as applicable, of such Bonds having characteristics (other than the ratings) most comparable to those of such Bonds in the judgment of the quotation agent. The quotation agent's determination of the Applicable Tax-Exempt Municipal Bond Rate shall be final and binding in the absence of manifest error on all parties and may be conclusively relied upon in good faith by the Trustee.

CUSIP Number[1]	***Maturity Date***	***Interest Rate***	***Outstanding Principal Amount***	***Principal Amount to be Redeemed***	***Redemption Date***
		%	$	$	

On the Redemption Date, there shall become due and payable on the Bonds to be redeemed, upon presentation and surrender of such Bonds as set forth below, the above-mentioned Redemption Price, together with interest accrued and unpaid on the Bonds to be redeemed to such Redemption Date and, if payment has been made as provided for, then interest on the Bonds to be redeemed shall cease to accrue from and after the Redemption Date.

The redemption of the Bonds is subject to the condition that the Redemption Price will be due and payable on the Redemption Date only if moneys sufficient to accomplish such redemption are held by the Trustee on the scheduled Redemption Date.

On [insert redemption date], the Bonds to be redeemed shall be surrendered for redemption to:

First Class/ Registered/Certified	***Express Delivery Only***	***By Hand Only***

Any inquiries can be made by calling the Customer Service number (800) _____.

1 No representation is made as to the correctness of the CUSIP number either as printed on the Bonds or as contained in this notice and an error in a CUSIP number as printed on such Bonds or as contained in this notice shall not affect the validity of the proceedings for redemption.

The method of delivery of the Bonds to be redeemed is at the option and risk of the holder, but, if mail is used, registered mail, properly insured, with receipt requested, is recommended.

IMPORTANT INFORMATION REGARDING TAX CERTIFICATION AND POTENTIAL WITHHOLDING:

Pursuant to U.S. federal tax laws, you have a duty to provide the applicable type of tax certification form issued by the U.S. Internal Revenue Service ("IRS") to the Trustee to ensure payments are reported accurately to you and to the IRS. In order to permit accurate withholding (or to prevent withholding), a complete and valid tax certification form must be received by the Trustee before payment of the redemption proceeds is made to you. Failure to timely provide a valid tax certification form as required will result in the maximum amount of U.S. withholding tax being deducted from any redemption payment that is made to you.

By: U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION, as Trustee

By:_____
Name:_____
Title:_____

Dated: _____, ____

EXHIBIT E

DIRECTION OF CENTRAL VALLEY ENERGY AUTHORITY TO REDEEM COMMODITY SUPPLY REVENUE BONDS, SERIES 2025 (EXTRAORDINARY REDEMPTION)

To: U.S. Bank Trust Company, National Association, as Trustee (the "Trustee")

DIRECTION IS HEREBY GIVEN by Central Valley Energy Authority (the "Issuer") to the Trustee for the Issuer's Commodity Supply Revenue Bonds, Series 2025 (the "Bonds") issued pursuant to the Trust Indenture, dated as of January 1, 2025 between the Issuer and the Trustee (the "Indenture"), to [If An Early Termination Payment Date Has Occurred: call the Bonds for redemption] [If A Conditional Notice Of Redemption Will Be Given In The Event That A Failed Remarketing May Cause An Early Termination Payment Date: give a conditional notice of redemption of the Bonds] on _____, 20[___]_(the "Redemption Date"), which is the first day of the Month following the Early Termination Payment Date (as defined in the Indenture), [(IF A CONDITIONAL NOTICE WILL BE GIVEN: in the event that an Early Termination Payment Date is established prior to such Redemption Date)], at a redemption price (the "Redemption Price") equal to the Amortized Value of the Series 2025 Bonds as of the Redemption Date, plus accrued interest to the Redemption Date.

[If An Early Termination Payment Date Already Has Occurred: Such redemption is required by Section 4.1 of the Indenture as the result of the establishment of [Date] as the Early Termination Payment Date.] [If A Conditional Notice Of Redemption Is Being Given In Case A Failed Remarketing May Cause An Early Termination Payment Date To Occur Prior To A Mandatory Purchase Date: Such redemption will be required by Section 4.1 of the Indenture if a Failed Remarketing (as defined in the Indenture) results in the establishment of an Early Termination Payment Date.] If the Bonds are not redeemed pursuant to such Section 4.1 of the Indenture, the Bonds shall be subject to mandatory tender for purchase on the Series 2025 Mandatory Purchase Date.

The Issuer or a quotation agent selected by the Issuer shall calculate the Redemption Price and deliver it to you at least one Business Day prior to [the Redemption Date].

The Issuer hereby directs you to cause [a conditional] notice of to the registered owner of each Bond being redeemed, at its address as it appears on the bond registration books of the Trustee or at such address as such owner may have filed with the Trustee for that purpose, as of the Regular Record Date (as defined in the Indenture), such notice to be mailed by first-class mail, postage prepaid, at least _____ (__) days prior to the Redemption Date, and such notice to be in substantially the form attached as Appendix A hereto.

Dated: _____ such mandatory redemption to be given pursuant to the provisions set forth in the Indenture

CENTRAL VALLEY ENERGY AUTHORITY

By:_____
Authorized Officer

ACKNOWLEDGED

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

By:_____
Name:_____
Title:_____

APPENDIX A

NOTICE OF CONDITIONAL MANDATORY REDEMPTION
OF
CENTRAL VALLEY ENERGY AUTHORITY
COMMODITY SUPPLY REVENUE BONDS, SERIES 2025
(EXTRAORDINARY REDEMPTION)

NOTICE IS HEREBY GIVEN to the holders of the following Central Valley Energy Authority (the "Issuer") Commodity Supply Revenue Bonds, Series 2025 (the "Bonds"), which were issued on _____, 2025 pursuant to the Trust Indenture, dated as of January 1, 2025 between the Issuer and the Trustee (the "Indenture"), that the Bonds listed below have been conditionally called for redemption prior to maturity on _____, 20[___], the first day of the Month following the Early Termination Payment Date (the "Redemption Date"), pursuant to Section 4.1 of the Indenture, at a redemption price (the "Redemption Price") equal to the Amortized Value of the Series 2025 Bonds as of the Redemption Date, as derived from Schedule IV attached to the Indenture with respect to all of the Series 2025 Bonds, plus accrued interest to the Redemption Date.

Such redemption is required by Section 4.1 of the Indenture as the result of the establishment of [DATE] as the Early Termination Payment Date (as defined in the Indenture) in the event that an Early Termination Payment Date (as defined in the Indenture) occurs as a result of a Failed Remarketing (as defined in the Indenture) prior to the Mandatory Purchase Date scheduled to occur on _____, 20__.

On the Redemption Date, there shall become due and payable on the Bonds to be redeemed, upon presentation and surrender of such Bonds as set forth below, the above-mentioned Redemption Price, together with interest accrued and unpaid on the Bonds to be redeemed to such Redemption Date and, if payment has been made as provided for, then interest on the Bonds to be redeemed shall cease to accrue from and after the Redemption Date.

[The Redemption Date is also a Mandatory Purchase Date under the Indenture. The redemption of the Bonds is subject to the condition that the Trustee has not received, by 12:00 noon, New York City time, on the fifth Business Day preceding the Redemption Date, the Purchase Price of the Bonds required to be purchased on the Mandatory Purchase Date. If the full amount of the Purchase Price has been received by the Trustee by 12:00 noon, New York City time, on the fifth Business Day preceding the Mandatory Purchase Date, the Trustee shall withdraw this conditional notice of redemption and the Bonds shall be purchased pursuant to Section 4.13 of the Indenture on the Redemption Date rather than redeemed.]

On [insert redemption date], the Bonds to be redeemed shall be surrendered for redemption to:

First Class/ Registered/Certified	***Express Delivery Only***	***By Hand Only***

Any inquiries can be made by calling the Customer Service number (800) _____.

The method of delivery of the Bonds to be redeemed is at the option and risk of the holder, but, if mail is used, registered mail, properly insured, with receipt requested, is recommended.

IMPORTANT INFORMATION REGARDING TAX CERTIFICATION AND POTENTIAL WITHHOLDING:

Pursuant to U.S. federal tax laws, you have a duty to provide the applicable type of tax certification form issued by the U.S. Internal Revenue Service ("IRS") to the Trustee to ensure payments are reported accurately to you and to the IRS. In order to permit accurate withholding (or to prevent withholding), a complete and valid tax certification form must be received by the Trustee before payment of the redemption proceeds is made to you. Failure to timely provide a valid tax certification form as required will result in the maximum amount of U.S. withholding tax being deducted from any redemption payment that is made to you.

CENTRAL VALLEY ENERGY AUTHORITY

By:_____
Name:_____
Title:_____

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

By:_____
Name:_____
Title:_____

Dated: _____, 20[___]

SCHEDULE I

INITIAL PROJECT PARTICIPANT

Turlock Irrigation District

SCHEDULE II

SCHEDULED DEBT SERVICE DEPOSITS

Date	*Scheduled Monthly Deposit*	*Interest Earnings*	*Cumulative Scheduled Balance*

Date	*Scheduled Monthly Deposit*	*Interest Earnings*	*Cumulative Scheduled Balance*

SCHEDULE III

TERMS OF ISSUER COMMODITY SWAP

{To be revised as applicable}[For each Month beginning with [Month] 20__ and ending with [Month] 20__, the Issuer will determine for each "Primary Delivery Point" as set forth on Exhibit A to the Commodity Purchase Agreement, (i) the price under the "Monthly Index" (as set forth on such Exhibit A), (ii) the difference (which may be positive or negative) between such Monthly Index price and the fixed price set forth in the Issuer Commodity Swap, and (iii) the product of such difference and the Monthly gas and electricity quantity for such Primary Delivery Point as set forth on Exhibit A to the Commodity Purchase Agreement.

The Issuer will then calculate a net settlement amount for all Primary Delivery Points for such Month due by or to the Issuer under the Issuer Commodity Swap that aggregates the amounts determined under clause (iii) above.

All payments from the Issuer or the Commodity Swap Counterparty will be due on each "Payment Date" under the Issuer Commodity Swap (which shall be the 25th day of the Month following the Month of natural gas and electricity deliveries or, if such day is not a Business Day under the Issuer Commodity Swap, then the next following Business Day).]

SCHEDULE IV

AMORTIZED VALUE OF THE SERIES 2025 BONDS

Redemption Date	*Redemption Price*	*Redemption Date*	*Redemption Price*

PREPAID COMMODITY SALES AGREEMENT

between

ARON ENERGY PREPAY 48 LLC

and

CENTRAL VALLEY ENERGY AUTHORITY

Dated as of [____], 2025

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PREPAID COMMODITY SALES AGREEMENT

This Prepaid Commodity Sales Agreement (hereinafter "Agreement") is made and entered into as of [____], 2025 (the "Execution Date"), by and between Aron Energy Prepay 48 LLC, a Delaware limited liability company ("Seller"), and Central Valley Energy Authority, a joint powers authority and public entity organized under the laws of the State of California ("Buyer"). Each of Seller and Buyer is sometimes individually referred to herein as a "Party", and collectively as the "Parties".

W I T N E S S E T H:

WHEREAS, Seller desires to sell natural gas and electricity to Buyer, and Buyer desires to purchase natural gas and electricity from Seller, upon the terms and conditions hereinafter set forth;

WHEREAS, pursuant to the terms and conditions set forth herein, a portion of the Parties' natural gas delivery and receipt obligations may be replaced with delivery and receipt obligations for an equivalent value of electricity prior to the end of the Delivery Period; and

WHEREAS, in connection with the execution of this Agreement, Seller shall enter into that certain Commodity Purchase, Sale and Service Agreement, dated as of the date hereof (the "Commodity Sale and Service Agreement"), with J. Aron, pursuant to which (a) Seller shall acquire natural gas and electricity for sale under this Agreement and (b) J. Aron shall act as Seller's agent under this Agreement and the other agreements entered into by Seller in connection with the Commodity Project (as defined below).

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

ARTICLE I.
DEFINITIONS

Section 1.1 Defined Terms. The following terms, when used in this Agreement and identified by the capitalization of the first letter thereof, have the respective meanings set forth below, unless the context otherwise requires:

"Additional Termination Payment" means, with respect to a Commodity Delivery Termination Date that results from a Termination Payment Event where the Additional Termination Payment is designated in Exhibit F as applying, the net present value sum as of such Commodity Delivery Termination Date of a stream of Monthly values for each Month that would have remained in the then-current Reset Period had such Commodity Delivery Termination Date not occurred, with each such Monthly value equal to (i) if during a Gas Delivery Period (A) the quantity of Gas (in MMBtu) that Seller would have been required to deliver during such Month, multiplied by (B) $[____]/MMBtu and (ii) if during an Electricity Delivery Period (A) the quantity of Electricity (in MWh) that Seller would have been required to deliver during such Month, multiplied by (B) $[____]/MWh for deliveries that would have been to the Primary Electricity

Delivery Point. The net present value sum shall be calculated (x) assuming each such future Monthly value would have been realized on the last day of the Month, (y) using a 30/360 day basis, and (z) using the standard present value formula (present value = future value / (1 + i)^n) for each such Monthly value, where "i" is the SOFR Discount Rate for such Month plus the Discount Rate Spread (the sum expressed as an annual rate) and "n" is the number of years, including any fractional portion of a year, between such Month and the Commodity Delivery Termination Date. The "SOFR Discount Rate" for each Month is the fixed interest rate determined by Seller in a Commercially Reasonable manner and in accordance with standard market practices for such Month based on otherwise receiving/paying Simple Average SOFR with a designated maturity of one Month. "Simple Average SOFR" means the simple average of SOFRs for the applicable tenor, with the determination of this rate (which will be in arrears with a lookback) being established by Seller or its designee in accordance with (a) the conventions for this rate selected or recommended by the relevant Government Agency for determining Simple Average SOFR; and (b) to the extent that the Seller or its designee determines that Simple Average SOFR cannot be determined in accordance with clause (a) above, then the conventions for this rate that have been selected by the Seller or its designee giving due consideration to industry-accepted market practices for U.S. dollar denominated floating rate notes at such time. "SOFR" means a rate equal to the secured overnight financing rate, as administered by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"Administrative Fee" means the amount specified in Exhibit F.

"Affiliate" means, with respect to either Party, any entity which is a direct or indirect parent or subsidiary of such Party or which directly or indirectly (i) owns or controls such Party, (ii) is owned or controlled by such Party, or (iii) is under common ownership or control with such Party. For purposes of this definition, "control" of an entity means the power, directly or indirectly, either to (a) vote 50% or more of the securities having ordinary voting power for the election of directors or Persons performing similar functions or (b) direct or cause the direction of the management and policies, whether by contract or otherwise.

"Agreement" has the meaning specified in the preamble and shall include exhibits, recitals and attachments referenced herein and attached hereto and all amendments, supplements and modifications hereto and thereto.

"Alternate Electricity Delivery Point" has the meaning specified in Section 5.1(c).

"Alternate Gas Delivery Point" has the meaning specified in Section 5.1(a).

"APC Contract Price" has the meaning specified in the Commodity Supply Contract.

"Assigned Delivery Point" means, with respect to any Assigned Electricity, the Assigned Delivery Point as set forth in the applicable Assignment Schedule for such Assigned Electricity.

"Assigned Electricity" means any Electricity under a PPA Assignment Agreement to be delivered to J. Aron pursuant to the terms thereof.

"Assigned Gas" means any Gas under a Gas Assignment Agreement to be redelivered to J. Aron pursuant to the terms thereof.

"Assigned PAYGO Amount" means, for any Month during the Electricity Delivery Period, the amount, if any, by which the quantity of Assigned Electricity (in MWhs) under a PPA Assignment Agreement exceeds the Assigned Prepay Quantity thereunder for such Month.

"Assigned Prepay Quantity" has the meaning specified in Exhibit H to the Commodity Supply Contract.

"Assigned Product" means Assigned Electricity, Assigned RECs and any other Electricity Product included on an Assignment Schedule, subject to the limitations for such other Electricity Product set forth in Exhibit H of the Commodity Supply Contract during the Electricity Delivery Period.

"Assigned RECs" means any RECs to be delivered to Buyer pursuant to any Assigned Rights and Obligations.

"Assigned Rights and Obligations" has the meaning specified in the Commodity Supply Contract.

"Assignment Early Termination Date" has the meaning specified in the applicable PPA Assignment Agreement.

"Assignment Period" has the meaning specified in the Commodity Supply Contract.

"Assignment Schedule" has the meaning specified in the Commodity Supply Contract.

"Billing Date" has the meaning specified in Section 14.2(b).

"Billing Statement" has the meaning specified in Section 14.2(b).

"Bond Closing Date" means the first date on which the Bonds are issued pursuant to the Bond Indenture.

"Bond Indenture" means (i) the Trust Indenture dated as of [____], 2025, between Buyer and the Trustee, as supplemented and amended from time to time in accordance with its terms, and (ii) any trust indenture entered into in connection with the commencement of any Interest Rate Period after the initial Interest Rate Period between Buyer and the Trustee containing substantially the same terms as the indenture described in clause (i) and which is intended to replace the indenture described in clause (i) as of the commencement of such Interest Rate Period.

"Bonds" means the bonds issued pursuant to the Bond Indenture.

"Btu" means one (1) British thermal unit, the amount of heat required to raise the temperature of one (1) pound of water one (1) degree Fahrenheit at sixty (60) degrees Fahrenheit,

and is the International Btu. The reporting basis for Btu is 14.73 psia and sixty (60) degrees Fahrenheit, *provided*, however, that the definition of Btu as determined by the operator of the relevant Delivery Point shall be deemed conclusive in accordance with Section 5.7.

"Business Day" means any day other than (i) a Saturday or Sunday, (ii) a Federal Reserve Bank Holiday, (iii) any other day on which commercial banks in either New York, New York or the State of California are authorized or required by Law to close, or (iv) any other day excluded pursuant to the Bond Indenture.

"Buyer" has the meaning specified in the preamble.

"Buyer Swap" means (i) the transaction confirmation entered into as of the date hereof under the ISDA Master Agreement, dated as of [____], between Buyer and the Swap Counterparty, and (ii) each replacement Buyer Swap entered into pursuant to Section 17.5.

"Buyer Swap Custodial Agreement" means (i) that certain Custodial Agreement, dated as of the Bond Closing Date, by and among Buyer, the Trustee, the Custodian and the Swap Counterparty, as the same may be amended, modified or supplemented from time to time, and (ii) any replacement Buyer Swap Custodial Agreement entered into in connection with Buyer's entry into a replacement Buyer Swap pursuant to Section 17.5.

"Buyer's Statement" has the meaning specified in Section 14.1(a).

"CAISO" means California Independent System Operator or its successor.

"Claiming Party" has the meaning specified in Section 11.1.

"Claims" means all claims or actions, threatened or filed, that directly or indirectly relate to the indemnities provided herein, and the resulting losses, damages, expenses, attorneys' fees, experts' fees, and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement.

"Commercially Reasonable" or "Commercially Reasonable Efforts" means, with respect to any purchase or sale or other action required to be made, attempted or taken by a Party under this Agreement, such efforts as a reasonably prudent Person would undertake for the protection of its own interest under the conditions affecting such purchase or sale or other action, including without limitation, the amount of notice of the need to take such action, the duration and type of the purchase or sale or other action, the competitive environment in which such purchase or sale or other action occurs, and the risk to the Party required to take such action.

"Commodity" means Gas or Electricity and, to the extent included on an Assignment Schedule, Electricity Product related to the foregoing; provided that the inclusion of any Gas or Electricity on an Assignment Schedule is subject to the limitation set forth in Exhibit H of the Commodity Supply Contract, as applicable.

"Commodity Delivery Termination Date" means a date that occurs automatically pursuant to Section 17.1 or that is designated pursuant to Section 17.4(b) upon which the Delivery

Period will end and Buyer's and Seller's respective obligations to receive and deliver Commodities under this Agreement will terminate.

"Commodity Delivery Termination Event" has the meaning specified in Section 17.1.

"Commodity Project" has the meaning specified in the Bond Indenture.

"Commodity Sale and Service Agreement" has the meaning specified in the recitals.

"Commodity Supply Contract" has the meaning specified in the Bond Indenture.

"Commodity Unit" means MMBtu with respect to Gas and [____] MWhs with respect to Electricity.

"Contract Index Price" means, with respect to each Delivery Point, the index price specified on Exhibit A, plus any Delivery Point Premium in effect.

"Contract Quantity" means: (a) during the Gas Delivery Period for each Gas Day and each Delivery Point, the daily quantity of Gas (in MMBtu) shown on Exhibit A for such Delivery Point for the Month in which such Gas Day occurs, and (b) during the Electricity Delivery Period, (i) the Hourly Quantity, if any, for each Hour and each Delivery Point and (ii) the Assigned Prepay Quantity, if any, for each Month.

"CPT" means Central Daylight Saving Time when such time is applicable and otherwise means Central Standard Time.

"Critical Notice" has the meaning specified in Section 5.2(a)(ii).

"CSC Remarketing Election" means, with respect to the Commodity Supply Contract, that the Project Participant delivered a Remarketing Election Notice (as defined thereunder) for any Reset Period.

"Custodian" means [____], as custodian under each of the Swap Custodial Agreements.

"Daily Basis Differential" has the meaning specified in Section 19.11(a)(iii).

"Daily Commodity Reference Price" means (A) the Daily Index Price, (B) the Index Price (Low), (C) the Day-Ahead Market Price, or (D) the Real-Time Market Price, as applicable.

"Daily Index Price" means, with respect to any Gas Day and any Delivery Point, the Midpoint price (in $/MMBtu) published in Gas Daily (published by S&P Global Platts, a division of S&P Global Inc.) under the heading "Daily price survey" for the Gas Daily pricing point corresponding to such Delivery Point (as shown on Exhibit A) for the "Flow date" corresponding to such Gas Day.

"Daily Replacement Index" has the meaning specified in Section 19.11(a)(iii).

"Day-Ahead Market Price" has the meaning set forth on Exhibit A for each Electricity Delivery Point.

"Deemed Remarketing Notice" has the meaning specified in Exhibit C.

"Default Rate" means, as of any date of determination, the lesser of (a) the sum of (i) the rate of interest per annum quoted in The Wall Street Journal (Eastern Edition) under the "Money Rates" section as the "Prime Rate" for such date of determination, plus (ii) one percent per annum, or (b) if a maximum rate is imposed by applicable Law, such maximum lawful rate.

"Delivering Transporter" means the Transporter delivering Gas at a Delivery Point.

"Delivery Hours" has the meaning specified in Exhibit A.

"Delivery Period" has the meaning specified in Exhibit F.

"Delivery Point" means (a) during the Gas Delivery Period, the Gas Delivery Point and (b) during the Electricity Delivery Period, the Electricity Delivery Point.

"Delivery Point Premium" means the amount specified in Exhibit A for deliveries to a Delivery Point, which shall reflect (i) any premium to the index price payable under a Gas Assignment Agreement or (ii) any premium otherwise designated by J. Aron consistent with [Section 8.2 of Exhibit G-1] to the extent that a Gas Assignment Agreement is not in effect.

"Discount Rate Spread" means the amount specified in Exhibit F.

"Early Termination Payment Date" means the last Business Day of the first Month that commences after a Termination Payment Event; provided that, in the case of a Termination Payment Event due to a Failed Remarketing, the Early Termination Payment Date shall be the last Business Day of the then-current Interest Rate Period.

"Electricity" means three-phase, 60-cycle alternating current electric energy, expressed in megawatt hours.

"Electricity Delivery Period" means the period commencing at 9:00 am CPT on the Switch Date and ending as of the last Hour (in LPT) on the last calendar day of the Delivery Period.

"Electricity Delivery Point" has the meaning specified in Section 5.1(c).

"Electricity Product" means Electricity and, to the extent included on an Assignment Schedule, RECs, capacity or other products related to the foregoing; *provided* that the inclusion of any Electricity Product on an Assignment Schedule is subject to the limitations set forth in Exhibit H of the Commodity Supply Contract.

"Execution Date" has the meaning specified in the preamble.

"Failed Remarketing" has the meaning specified in the Bond Indenture.

"FERC" means the Federal Energy Regulatory Commission and any successor thereto.

"Firm" means, with respect to the obligations to deliver Gas during the Gas Delivery Period, that either Party may interrupt its performance without liability only to the extent that such performance is prevented for reasons of Force Majeure; *provided*, however, that during Force Majeure interruptions, the Party invoking Force Majeure may be responsible for Imbalance Charges as set forth in Section 5.5 related to its interruption after the nomination is made to the Transporter and until the change in deliveries and/or receipts is confirmed by the Transporter.

"Firm (LD)" means, with respect to the obligation to deliver or take Electricity, that either Party shall be relieved of its obligations to sell and deliver or purchase and take without liability only to the extent that, and for the period during which, such performance is prevented by Force Majeure.

"Fixed Electricity Price" means the amount specified in Exhibit F as the Fixed Price per MWh during the Electricity Delivery Period.

"Fixed Gas Price" means the amount specified in Exhibit F as the Fixed Price per MMBtu during the Gas Delivery Period.

"Force Majeure" has the following meanings during the Gas Delivery Period and the Electricity Delivery Period, respectively.

(a) During the Gas Delivery Period, "Force Majeure" means an event or circumstance which prevents one Party from performing its obligations under this Agreement, which event or circumstance was not anticipated as of the Execution Date, which is not within the reasonable control of, or the result of the negligence of, the Claiming Party, and which, by the exercise of due diligence, the Claiming Party is unable to overcome or avoid or cause to be avoided. Force Majeure shall include, provided the criteria in the first sentence are met, the following: (i) physical events such as acts of God, landslides, lightning, earthquakes, fires, storms or storm warnings, such as hurricanes, which result in evacuation of the affected area, floods, washouts, explosions, breakage or accident or necessity of repairs to machinery or equipment or lines of pipe; (ii) weather related events affecting an entire geographic region, such as low temperatures which cause freezing or failure of wells or lines of pipe; (iii) interruption and/or curtailment of transportation and/or storage by Transporters (*provided* that, if the affected Party is using interruptible or secondary Firm transportation, only if primary, in-path, Firm transportation is also curtailed by the same event, or if the relevant Transporter does not curtail based on path, if primary Firm transportation is also curtailed); (iv) acts of others such as strikes, lockouts or other industrial disturbances, riots, sabotage, insurrections, wars or acts of terror; (v) governmental actions such as necessity for compliance with any Law promulgated by a Government Agency having jurisdiction; (vi) an inability by Seller to deliver Gas due to the circumstances described as an event of Force Majeure in Section 5.7; (vii) any invocation of "Force Majeure" by an Upstream Supplier (regardless of whether the event of Force Majeure was invoked separately by J. Aron, Prepay LLC or Issuer or would otherwise be considered an event of Force Majeure under this

Agreement if it affected Seller directly); and (viii) any invocation of Force Majeure by the Project Participant under the Commodity Supply Contract. Notwithstanding the foregoing, neither Party shall be entitled to the benefit of the provisions of Force Majeure to the extent performance is affected by any or all of the following circumstances: (i) the curtailment of interruptible or secondary Firm transportation unless primary, in-path, Firm transportation is also curtailed; (ii) the Party claiming excuse failed to remedy the condition and to resume the performance of such covenants or obligations with reasonable dispatch; (iii) economic hardship, to include, without limitation, Seller's ability to sell Gas at a higher or more advantageous price, Buyer's ability to purchase Gas at a lower or more advantageous price, or a Government Agency disallowing, in whole or in part, the pass through of costs resulting from this Agreement; (iv) the loss of Buyer's market(s) or Buyer's inability to use or resell Gas purchased under this Agreement, except, in either case, as provided in the foregoing definition of Force Majeure; or (v) the loss or failure of Seller's Gas supply or depletion of reserves, except, in either case, as provided in the foregoing definition of Force Majeure. Buyer shall not be entitled to the benefit of the provisions of Force Majeure to the extent performance is affected by any action taken by Buyer in its governmental capacity. The Party claiming Force Majeure shall not be excused from its responsibility for Imbalance Charges. In addition to the foregoing and notwithstanding anything to the contrary herein, to the extent that a Gas Assignment Agreement is terminated early, such termination shall constitute Force Majeure with respect to Seller hereunder until the end of the first Month following the Month in which such early termination occurs.

(b) During the Electricity Delivery Period, "Force Majeure" means an event or circumstance which prevents one Party from performing its obligations under this Agreement, which event or circumstance was not anticipated as of the Execution Date, which is not within the reasonable control of, or the result of the negligence of, the Claiming Party, and which, by the exercise of due diligence, the Claiming Party is unable to overcome or avoid or cause to be avoided. Force Majeure shall not be based on (i) the loss of Buyer's markets; (ii) Buyer's inability economically to use or resell any Commodities purchased hereunder; (iii) the loss or failure of Seller's supply except if such loss or failure results from curtailment by a Transmission Provider; or (iv) Seller's ability to sell the Commodities at a higher price. Neither Party may raise a claim of Force Majeure based in whole or in part on curtailment by a Transmission Provider unless (i) such Party has contracted for firm transmission with such Transmission Provider for the Commodities to be delivered to or received at the Delivery Point and (ii) such curtailment is due to "force majeure" or "uncontrollable force" or a similar term as defined under the Transmission Provider's tariff; *provided*, however, that existence of the foregoing factors shall not be sufficient to conclusively or presumptively prove the existence of Force Majeure absent a showing of other facts and circumstances which in the aggregate with such factors establish that Force Majeure as defined in the first sentence hereof has occurred. In addition to the foregoing and notwithstanding anything to the contrary herein, to the extent that a PPA Assignment Agreement is terminated early, such termination shall constitute Force Majeure with respect to Seller hereunder until the end of the first Month following the Month in which such early termination occurs.

"Funding Agreement" means initially that certain Non-Participating Funding Agreement, dated as of [____], by and between Seller and the Funding Recipient, and any replacement funding agreement entered into for a subsequent Reset Period.

"Funding Recipient" means initially Pacific Life Insurance Company, a stock life insurance company organized under the law of the State of Nebraska or its successors to or permitted assignees of the Funding Agreement, and any other Person that becomes counterparty to Seller under a Funding Agreement for a subsequent Reset Period.

"Gas" shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane.

"Gas Assignment Agreement" means an assignment agreement entered into consistent with Section 8 of Exhibit G-1.

"Gas Day" means a period of twenty-four (24) consecutive hours, beginning at 9:00 a.m. CPT and ending at 8:59:59 a.m. CPT.

"Gas Delivery Period" means the period commencing at 9:00 am CPT on the first day of the Delivery Period and ending at 8:59:59 am CPT on the earlier of (i) the Switch Date, and (ii) the last Gas Day that commences during the Delivery Period.

"Gas Delivery Point" has the meaning specified in Section 5.1(a).

"Government Agency" means the United States of America, any state thereof, any municipality, or any local jurisdiction, or any political subdivision of any of the foregoing, including, but not limited to, courts, administrative bodies, departments, commissions, boards, bureaus, agencies, or instrumentalities.

"Governmental Approval" means any authorization, consent, approval, license, ruling, permit, exemption, variance, order, judgment, decree, declaration of or regulation by any Government Agency relating to the execution, delivery or performance of this Agreement as any of the foregoing are in effect as of the Execution Date.

"Hour" means each 60-minute period commencing at 9:00 am CPT on the Switch Date through the last hour of the Delivery Period. The term "Hourly" shall be construed accordingly.

"Hourly Quantity" means, (i) with respect to each Delivery Hour, the quantity (in MWh) set forth on Exhibit A for the Month in which such Delivery Hour occurs, and (ii) with respect to any other Hour, zero (0) MWh.

"Imbalance Charges" means any fees, penalties, costs or charges (in cash or in kind) assessed by a Transporter for failure to satisfy the Transporter's balancing and/or nomination requirements based on such Transporter's applicable pipeline tariff.

"Indemnifying Party" has the meaning specified in Section 5.3(b).

"Index Price (Low)" has the meaning set forth on Exhibit A for each Gas Delivery Point.

"Interest Rate Period" has the meaning specified in the Bond Indenture.

"J. Aron Acceleration Option" means the exercise by J. Aron of its right under the Commodity Sale and Service Agreement to pay the Termination Payment to Seller following the occurrence of a Ledger Event, which shall be subject to Seller's prior consent thereto as provided in the Commodity Sale and Service Agreement.

"Law" means any statute, law, rule or regulation or any judicial or administrative interpretation thereof having the effect of the foregoing enacted, promulgated, or issued by a Government Agency whether in effect as of the Execution Date or at any time in the future.

"Ledger Event" has the meaning specified in Section 9(c) of Exhibit C.

"LPT" means the local prevailing time then in effect in the State of California.

"Mandatory Purchase Date" has the meaning specified in the Bond Indenture.

"Minimum Discount Percentage" has the meaning specified in the Commodity Supply Contract.

"MMBtu" means one million British thermal units, which is equivalent to one dekatherm.

"Month" means (a) during the Gas Delivery Period, the period beginning at 9:00 a.m. CPT on the first day of a calendar month and ending at 8:59:59 a.m. CPT on the first day of the next calendar month, and (b) during the Electricity Delivery Period, a calendar month. The term "Monthly" shall be construed accordingly.

"Monthly Basis Differential" has the meaning specified in Section 19.11(b)(ii).

"Monthly Index Price" means, with respect to any Gas Day and any Delivery Point, the Index price (in $/MMBtu) published in Inside FERC's Gas Market Report (published by S&P Global Platts, a division of S&P Global Inc.), in the first issue of the calendar month in which such Gas Day begins (including corrections thereto in later issues), as listed in the section "Monthly Bidweek Spot Gas Prices - Platts Locations ($/MMBtu)", under the heading for the Inside FERC's Gas Market Report pricing point corresponding to such Delivery Point (as shown on Exhibit A), under the column "Index".

"Monthly Replacement Index" has the meaning specified in Section 19.11(b)(ii).

"MWh" means megawatt-hour.

"Optional Commodity Delivery Termination Event" has the meaning specified in Section 17.1.

"Party" has the meaning specified in the preamble.

"PPA Assignment Agreement" means, for any Assigned Rights and Obligations, an agreement between the Project Participant, J. Aron and an APC Party in the form attached as Attachment 2 to Exhibit H to the Commodity Supply Contract (with such changes as may be

mutually agreed upon by Buyer, the Project Participant, J. Aron and the APC Party, each in its sole discretion).

"Prepayment" means the amount specified in Exhibit F.

"Prepayment Outside Date" means the date specified in Exhibit F.

"Primary Electricity Delivery Point" has the meaning specified in Section 5.1(c).

"Primary Gas Delivery Point" has the meaning specified in Section 5.1(a).

"Project Participant" has the meaning specified in the Bond Indenture.

"Receiving Transporter" means the Transporter taking Gas at a Delivery Point, or absent such Transporter, the Transporter delivering Gas at such Delivery Point.

"RECs" means "renewable energy credits," a certificate of proof associated with the generation of electricity from an eligible renewable energy resource, which certificate is issued through the accounting system established by the California Energy Commission pursuant to the California Renewable Energy Resources Act, including the California Renewables Portfolio Standard Program, Article 16 of Chapter 2.3, as implemented and amended from time to time, and any successor law, evidencing that one (1) MWh of energy was generated and delivered from such eligible renewable energy resource. Such certificate is a tradable environmental commodity (also known as a "green tag") for which the owner of the REC can prove that it has purchased renewable energy.

"Reduced Hourly Quantity" has the meaning specified in the Commodity Supply Contract.

"Remarketing Notice" has the meaning specified in Exhibit C.

"Replacement Electricity" means Electricity purchased by Buyer or the Project Participant to replace any Shortfall Quantity *provided* that such Electricity is purchased for delivery in the Delivery Hour to which such Shortfall Quantity relates.

"Replacement Electricity Price" means, with respect to any Shortfall Quantity for Electricity, the price (in $/MWh) at which Buyer or the Project Participant, acting in a Commercially Reasonable manner, purchases Replacement Electricity in respect of such Shortfall Quantity, including (i) costs reasonably incurred by Buyer or the Project Participant in purchasing such Replacement Electricity, and (ii) additional transmission charges, if any, reasonably incurred by Buyer or the Project Participant to the Delivery Point. The Replacement Electricity Price for any Shortfall Quantity shall not include any administrative or other internal costs incurred by Buyer or the Project Participant and shall be limited to a price that is Commercially Reasonable with respect to the timing and manner of purchase given (i) the amount of notice provided by the Seller, (ii) the immediacy of Buyer's or the Project Participant's Electricity needs or redelivery obligations, (iii) the quantities involved, (iv) the anticipated length of failure by Seller, (v) Buyer's obligation to mitigate Seller's damages pursuant to Section 4.1(f) and the Project Participant's corresponding obligation in the Commodity Supply Contract and (vi) other relevant factors. In no

event shall the Replacement Electricity Price include any penalties, ratcheted demand or similar charges, nor shall Buyer or the Project Participant be required to utilize or change its utilization of its owned or controlled assets or market positions to minimize Seller's liability.

"Replacement Gas" means Gas purchased by Buyer or the Project Participant to replace any Shortfall Quantity *provided* that such Gas (i) is purchased for delivery on the Gas Day to which such Shortfall Quantity relates, (ii) is purchased for delivery in the Month such Shortfall Quantity arises, or (iii) relates to a Shortfall Quantity that arose on a Gas Day that commences on any of the last seven Business Days of a Month, and is purchased for delivery in the Month following the Month in which such Shortfall Quantity arose.

"Replacement Gas Price" means, with respect to any Shortfall Quantity for Gas, the price (in $/MMBtu) at which Buyer or the Project Participant, acting in a Commercially Reasonable manner, purchases Replacement Gas for delivery at the Delivery Point, subject to the final sentence of this definition, in respect of such Shortfall Quantity, including (i) costs reasonably incurred by Buyer or the Project Participant in purchasing such Replacement Gas, and (ii) any transportation costs (including storage withdrawal and injection costs, which may include liquefaction and vaporization costs for stored liquefied natural gas). The Replacement Gas Price for any Shortfall Quantity shall not include any administrative or other internal costs incurred by Buyer or the Project Participant and shall be limited to a price that is Commercially Reasonable with respect to the timing and manner of purchase given (i) what constitutes a price reasonable for the delivery area, (ii) the amount of notice provided by Seller, (iii) the immediacy of Buyer's Gas consumption needs, as applicable, (iv) the quantities involved, (v) the anticipated length of failure by Seller and (vi) Buyer's obligation to mitigate Seller's damages pursuant to Section 4.1(f) and the Project Participant's corresponding obligation in the Commodity Supply Contract. In no event shall the Replacement Gas Price include any penalties or similar charges, *provided* that Imbalance Charges may be recovered under Section 5.5.

"Re-Pricing Agreement" means the Re-Pricing Agreement, dated as of the Bond Closing Date, by and between Buyer and Seller.

"Reset Period" means each "Reset Period" under the Re-Pricing Agreement.

"Schedule", "Scheduled" or "Scheduling" means the actions of Seller, Buyer and/or their designated representatives, including each Party's Transmission Providers, if applicable, of notifying, requesting and confirming to each other the quantity of Commodity to be delivered during any given portion of the Delivery Period at a specified Delivery Point.

"Seller" has the meaning specified in the preamble.

"Seller Swap" means (i) the transaction confirmation, dated as of the date hereof, entered into under the ISDA Master Agreement, dated as of [____], between Seller and the Swap Counterparty, and (ii) each replacement Seller Swap entered into pursuant to Section 17.5.

"Seller Swap Custodial Agreement" means (i) that certain Custodial Agreement, dated as of the Bond Closing Date, by and among Seller, the Trustee, the Custodian and the Swap

Counterparty, as the same may be amended, modified or supplemented from time to time, and (ii) each replacement Seller Swap entered into pursuant to Section 17.5.

"Shortfall Quantity" has the meaning specified in Section 4.1.

"SPE Master Custodial Agreement" means that certain SPE Master Custodial Agreement, dated as of the date hereof, by and among Seller, J. Aron, Buyer, the Trustee, and the SPE Master Custodian, as the same may be amended, modified or supplemented from time to time.

"SPE Master Custodian" means initially The Bank of New York Mellon, as custodian under the SPE Master Custodial Agreement.

"Specified Fixed Price" means the amount specified in Exhibit F.

"Specified Investment Agreement" means a guaranteed investment contract between the Trustee and a provider concerning the investment of funds in the Working Capital Account, the Debt Service Reserve Account and/or the Debt Service Account (each as defined in the Bond Indenture).

"Structural Remarketing Notice" has the meaning specified in Article VII.

"Swap Counterparty" means (i) BP Energy Company, a Delaware corporation, and (ii) any other Person that becomes counterparty to Buyer under a Buyer Swap or to Seller under a Seller Swap, in each case pursuant to Section 17.5.

"Swap Custodial Agreements" means the Buyer Swap Custodial Agreement and the Seller Swap Custodial Agreement.

"Swap Replacement Period" has the meaning specified in Section 17.5(a).

"Switch Date" means such date as determined pursuant to the procedure described in Section 3.3 below.

"Terminating Party" means any Party that has the right to terminate this Agreement pursuant to Article XVII.

"Termination Payment" means, with respect to any Early Termination Payment Date, the amount specified on Exhibit D-1 for the calendar month in which such Early Termination Payment Date occurs (as adjusted by any applicable Termination Payment Adjustment Amount) without any set-off or netting of amounts then due from Buyer.

"Termination Payment Adjustment Amount" means, with respect to any Early Termination Payment Date, the amount specified on Exhibit D-2 for the calendar month in which such Early Termination Payment Date occurs. For the avoidance of doubt, the Termination Payment Adjustment Amount for the period commencing on the Execution Date is zero.

"Termination Payment Adjustment Schedule" means the schedule of Termination Payment Adjustment Amounts set forth in Exhibit D-2, as such exhibit may be populated and amended from time to time in accordance with Section 17.9.

"Termination Payment Event" means (i) a Commodity Delivery Termination Event that is specified as a Termination Payment Event in **Error! Reference source not found.** or (ii) a J. Aron Acceleration Option.

"Transaction Documents" has the meaning specified in Article XIII.

"Transmission Provider(s)" means any entity or entities transmitting or transporting Electricity on behalf of Seller or Buyer to or from the Delivery Point.

"Transporter(s)" means all Gas gathering or pipeline companies, or local distribution companies acting in the capacity of a transporter, transporting Gas for Seller or Buyer upstream or downstream, respectively, of the Delivery Point.

"Trustee" means U.S. Bank Trust Company, National Association, and its successors as Trustee under the Bond Indenture.

"Upstream Supplier" means any supplier to J. Aron of Gas to be delivered under the Commodity Sale and Service Agreement.

Section 1.2 Definitions; Interpretation. References to "Articles," "Sections," "Schedules" and "Exhibits" shall be to Articles, Sections, Schedules and Exhibits, as the case may be, of this Agreement unless otherwise specifically provided. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose or be given any substantive effect. Any of the terms defined herein may, unless the context otherwise requires, be used in the singular or the plural, depending on the reference. The use herein of the word "include" or "including", when following any general statement, term or matter, shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not nonlimiting language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that fall within the broadest possible scope of such general statement, term or matter. Any reference herein to any agreement or document includes all amendments, supplements or restatements to and of such agreement or document as may occur from time to time.

ARTICLE II.
EXECUTION DATE AND DELIVERY PERIOD

Section 2.1 Execution Date; Delivery Period. This Agreement shall become effective upon the Bond Closing Date, and, unless this Agreement is terminated early pursuant to Section 2.2, all of Seller's and Buyer's obligations under this Agreement shall be deemed to have been incurred upon the Bond Closing Date. Unless this Agreement is terminated pursuant to Section 2.2, then, upon receipt of the Prepayment, the delivery of Commodities under this Agreement shall commence and continue for the Delivery Period.

Section 2.2 Termination by Seller Prior to Prepayment. Seller shall have no obligation to perform under this Agreement unless and until it has received the Prepayment from Buyer pursuant to Section 3.1(a). In the event Seller has not received the Prepayment prior to 1:00 p.m. local time in New York, New York on the Prepayment Outside Date, Seller shall have the right, until such Prepayment has been paid, to terminate this Agreement without any further obligation or liability of either Party; *provided* that, for the avoidance of doubt, in the event Seller so terminates, such termination shall be effective regardless of whether Buyer tenders the Prepayment after such deadline. For the avoidance of doubt, no Termination Payment or Additional Termination Payment shall be payable by Seller under any circumstances if this Agreement terminates pursuant to this Section 2.2.

Section 2.3 J. Aron as Agent.

(a) Pursuant to the terms of the Commodity Sale and Service Agreement, Seller has irrevocably appointed J. Aron as its agent to issue notices and, as set forth therein, to take any other actions that Seller is required or permitted to take under this Agreement and the other agreements entered into by Seller in connection with the Commodity Project so long as the Commodity Sale and Service Agreement remains in effect. Buyer may rely on notices or other actions taken by J. Aron on Seller's behalf; provided that, if (a) the Commodity Sale and Service Agreement is terminated and (b) Seller delivers to Buyer notice (i) of such termination and (ii) that it has removed J. Aron as its agent, Buyer may no longer rely on notices or other actions taken by J. Aron from and after the date such notice is given.

(b) Seller shall indemnify Buyer against, and release and hold Buyer harmless from, any and all losses, claims, damages, liabilities and related expenses (including the reasonable and documented fees, charges and disbursements of any counsel for Buyer) incurred by any Buyer or asserted against Buyer by any Person (including Seller or J. Aron) arising out of, in connection with, or as a result of Buyer's reliance on any action by or communication from J. Aron, at any time prior to delivery of notice of termination of pursuant to Section 2.3(a), that purports to be taken or given in J. Aron's capacity as the agent of Seller.

ARTICLE III.
SALE AND PURCHASE

Section 3.1 Sale and Purchase of Commodities.

(a) On each Gas Day during the Gas Delivery Period, Seller agrees to sell and deliver or cause to be delivered to Buyer, and Buyer agrees to take or cause to be taken from Seller, in each case, on a Firm basis, the Contract Quantity of Gas pursuant to the terms and conditions set forth in this Agreement, including the limitations set forth herein relating to any portion of the Contract Quantity of Gas for which a Gas Assignment Agreement is in effect.

(b) During each Hour during the Electricity Delivery Period, Seller agrees to sell and deliver or cause to be delivered to Buyer, and Buyer agrees to take or cause to be taken from Seller, in each case, on a Firm (LD) basis, the Hourly Quantity of Electricity, if any, pursuant to the terms and conditions set forth in this Agreement. Additionally, during each Month of the Electricity Delivery Period, Seller agrees to sell and deliver or cause to be delivered to Buyer, and

Buyer agrees to purchase and take or cause to be taken from Seller the Assigned Prepay Quantity, if any, of Electricity subject to the terms and conditions of this Agreement including the limitations set forth herein relating to any portion of the Contract Quantity of Electricity for which a PPA Assignment Agreement is in effect.

Section 3.2 Prepayment. Prior to the commencement of the Delivery Period, Buyer shall pay Seller for all Commodities to be delivered during the Delivery Period in an amount equal to the Prepayment, and Seller shall accept the Prepayment as payment in full for all Commodities to be delivered hereunder. Buyer shall pay the Prepayment in a single lump sum payment by wire transfer of immediately available funds to an account designated by Seller. In no event shall Buyer be entitled to any rebate or refund of the Prepayment, but nothing in this Section 3.2 shall limit Buyer's rights under (i) Article IV for Seller's failure to deliver Commodities (whether or not excused), (ii) Section 5.5 for Imbalance Charges incurred as a result of Seller's delivery of quantities of Gas greater than or less than the Contract Quantities at any Delivery Point, (iii) Article XVII upon early termination of this Agreement or (iv) Exhibit C with respect to remarketing of Commodities in accordance therewith. In no event shall Buyer be required to pay the Prepayment unless and until the Bonds are issued in exchange for a purchase price sufficient to pay costs of issuance, to fund required reserves under the Bond Indenture (or purchase surety bonds or enter into any similar arrangements in lieu of funding such reserves), and to pay the Prepayment.

Section 3.3 Switch Date to Commence Electricity Deliveries. On the Switch Date, deliveries of Gas hereunder will cease, and deliveries of Electricity will commence. Buyer may designate the Switch Date or modify a previously designated Switch Date to a later date by delivering written notice to Seller, *provided* that (i) the Switch Date may occur no earlier than [_____], 20[__], (ii) the Switch Date must begin on the first day of a Month that commences not earlier than twelve (12) Months after such notice is delivered, (iii) any notice modifying a previously designated Switch Date must be delivered no later than twelve Months prior to the date the Switch Date otherwise would have occurred, and (iv) the Switch Date may be modified to an earlier date only once but may be modified to a later date from time to time subject to the other requirements set forth herein.

Section 3.4 Sale and Purchase of Commodities. With respect to any Assigned PAYGO Amount delivered hereunder, Buyer shall pay Seller an amount equal to the quantity of such Assigned PAYGO Product multiplied by the applicable contract price(s) then in effect with respect to Energy under the applicable Assigned PPA(s).

Section 3.5 Limited Obligation to Take Hourly Quantities. Notwithstanding anything to the contrary in this Agreement (including Section 3.1(b)), Buyer shall not be required to take any Hourly Quantities hereunder, and Seller will remarket any Hourly Quantities that otherwise would be delivered hereunder pursuant to the provisions of Exhibit C.

ARTICLE IV.
FAILURE TO DELIVER OR TAKE COMMODITIES

Section 4.1 Seller's Failure to Deliver the Contract Quantity (Not Due to Force Majeure).

(a) Except to the extent Buyer is excused under Section 4.3, if, on any Gas Day during the Gas Delivery Period or for any Delivery Hour during the Electricity Delivery Period, Seller breaches its obligation to deliver all or any portion of the Contract Quantity at any Delivery Point pursuant to the terms of this Agreement, then the portion of the Contract Quantity that Seller failed to deliver shall be a "Shortfall Quantity" and Buyer shall exercise Commercially Reasonable Efforts to purchase Replacement Gas (during the Gas Delivery Period) or Replacement Electricity (during the Electricity Delivery Period). Additionally, notwithstanding anything to the contrary in this **Error! Reference source not found.** but subject to the terms of **Error! Reference source not found.**, Seller's sole obligation under this **Error! Reference source not found.** with respect to any Shortfall Quantities resulting from a failure to deliver Gas by an Upstream Supplier shall be to pay the applicable Contract Index Price to Buyer.

(b) To the extent Buyer or the Project Participant actually purchases Replacement Gas (during the Gas Delivery Period) before the end of the Month in which such Shortfall Quantity arises or purchases Replacement Electricity (during the Electricity Delivery Period) with respect to any Shortfall Quantity, then Seller shall pay to Buyer the result determined by the following formula:

P = Q x (HP + AF)

Where:

P = The amount payable by Seller under this Section 4.1(b);

Q = The quantity of Replacement Gas or Replacement Electricity purchased;

HP = The higher of (i) the Replacement Gas Price or Replacement Electricity Price, as applicable or (ii) (A) during the Gas Delivery Period, the Contract Index Price applicable to the Gas Day and the Delivery Point for which the Shortfall Quantity arose, or (B) during the Electricity Delivery Period, the Day-Ahead Market Price applicable to the Delivery Hour and the Delivery Point for which the Shortfall Quantity arose; and

AF = The Administrative Fee.

(c) If, with respect to any Shortfall Quantity, Replacement Gas or Replacement Electricity (as applicable) is not purchased, then Seller shall pay to Buyer the result determined by the following formula:

P = Q x IP

Where:

P = The amount payable by Seller under this Section 4.1(c);

Q = The portion of the Shortfall Quantity described in the lead-in to this

Section 4.1(c); and

IP = Either (i) during the Gas Delivery Period, the Contract Index Price applicable to the Gas Day and the Delivery Point for which the Shortfall Quantity arose, or (ii) during the Electricity Delivery Period, the Day-Ahead Market Price applicable to the Delivery Hour and the Delivery Point for which the Shortfall Quantity arose.

(d) If, with respect to any Shortfall Quantity for Gas that arises on a Gas Day that commences on any of the last seven Business Days of a Month, Buyer or the Project Participant purchases Replacement Gas for delivery in the Month following the Month in which such Shortfall Quantity arose, then Seller shall pay to Buyer, in addition to those amounts already paid under Section 4.1(c), the positive result, if any, determined by the following formula:

P = Q x ((RP + AF) - IP)

Where:

P = The amount payable by Seller under this Section 4.1(d);

Q = The portion of the Shortfall Quantity described in the lead-in to this Section 4.1(d) above;

RP = The Replacement Gas Price;

AF = The Administrative Fee; and

IP = The Contract Index Price applicable to the Gas Day and Delivery Point for which the Shortfall Quantity arose.

(e) Buyer shall exercise Commercially Reasonable Efforts to monitor or cause Project Participant to monitor nominations and deliveries of Gas to be delivered directly from Seller to Buyer at each Delivery Point for each Gas Day and promptly notify Seller upon becoming aware that such nominations or deliveries might result in a Shortfall Quantity with respect to such Delivery Point. Buyer shall also exercise Commercially Reasonable Efforts to monitor or cause Project Participant to monitor any nominations and deliveries of Gas to be delivered directly from Seller to Project Participant at each Delivery Point for each Gas Day and promptly notify or cause Project Participant to promptly notify Seller if Buyer or Project Participant becomes aware that such nomination or deliveries would reasonably be expected to result in a Shortfall Quantity with respect to such Delivery Point.

(f) Buyer shall cause Project Participant to comply with its obligations under Section 4.1(d) of the Commodity Supply Contract to mitigate damages.

(g) Imbalance Charges shall not be recovered under this Section 4.1, but rather in accordance with Section 5.5.

Section 4.2 Buyer's Failure to Take the Contract Quantity (Not Due to Force Majeure). Except to the extent Buyer is excused under Section 4.3, if, on any Gas Day during the Gas Delivery Period or for any Delivery Hour during the Electricity Delivery Period, Buyer breaches its obligation to take all or any portion of the Contract Quantity at any Delivery Point pursuant to the terms of this Agreement, then Buyer shall be deemed to have issued a Deemed Remarketing Notice with respect to the portion not taken. Imbalance Charges shall not be recovered under this Section 4.2, but rather in accordance with Section 5.5. For the avoidance of doubt, with respect to Gas required to be delivered on any Gas Day, Buyer may be deemed to have issued a Deemed Remarketing Notice with respect to the entire Contract Quantity unless Seller receives actual written notice from Buyer to the contrary prior to the end of the following Month or thirty (30) calendar days after Buyer first receives notice of a deficiency from the applicable Transporter, whichever is later.

Section 4.3 Failure to Deliver or Take Due to Force Majeure. If during any Month during the Gas Delivery Period or for any Delivery Hour during the Electricity Delivery Period:

(a) Buyer fails to take or Seller fails to deliver all or any portion of the Monthly Contract Quantity of Gas (during the Gas Delivery Period) or the Contract Quantity of Electricity (during the Electricity Delivery Period) at any Delivery Point pursuant to the terms of this Agreement; and

(b) such failure is due to Force Majeure claimed by either Party,

then Seller shall pay to Buyer the result determined by the following formula with respect to each such Delivery Point:

P = Q x IP

Where:

P = The amount payable by Seller under this Section 4.3;

Q = The quantity of Gas or Electricity described in the lead-in to this Section 4.3; and

IP = Either (i) during the Gas Delivery Period, the Contract Index Price applicable to such Month and Delivery Point, or (ii) during the Electricity Delivery Period, the Day-Ahead Market Price applicable to such Delivery Hour and Delivery Point; provided that, with respect to a failure to take or deliver due to Force Majeure for any portion of the Contract Quantity for which a Gas Assignment Agreement or a PPA Assignment Agreement is in effect, "IP" shall mean (x) the Assigned Contract Price as defined in the Gas Assignment Agreement or (y) the APC Contract Price as defined in the PPA Assignment Agreement, as applicable.

Section 4.4 Make-Up Gas Deliveries in Lieu of Payment. The Parties may mutually agree, in lieu of payment pursuant to Section 4.1, Section 4.2 or Section 4.3, to make up all or any portion of the Contract Quantity of Gas not delivered or taken by increasing deliveries and takes over the remainder of the Month in which such failure occurred or in the following Month. If a Shortfall Quantity is made up in lieu of payment in accordance with the preceding sentence, Seller may apply such made up quantity against any balance of Shortfall Quantities, including against the most recent Shortfall Quantities.

Section 4.5 Sole Remedies. Except with respect to (a) the payment of Imbalance Charges pursuant to Section 5.5, (b) termination of this Agreement pursuant to Section 17.4, and (c) the obligations of Seller under Section 8(c) of Exhibit C, the remedies set forth in this Article IV shall be each Party's sole and exclusive remedies for any failure by the other Party to deliver or take Commodities, as applicable, pursuant to this Agreement.

Section 4.6 Limitations. Notwithstanding anything herein to the contrary, neither Party shall have any liability or other obligation to the other with respect to a failure to take or deliver any portion of the Contract Quantity for which a Gas Assignment Agreement or a PPA Assignment Agreement is in effect, except as expressly set forth in **Error! Reference source not found.** and Section 10 of Exhibit C.

ARTICLE V.
TRANSPORTATION AND DELIVERY; COMMUNICATIONS

Section 5.1 Delivery Point.

(a) All Gas delivered under this Agreement shall be delivered and received (i) at the delivery point specified in Exhibit A (the "Primary Gas Delivery Point"), or (ii) to any other point (an "Alternate Gas Delivery Point") that has been mutually agreed by Seller and Buyer (the Primary Gas Delivery Point or Alternate Gas Delivery Point, if specified, each being a "Gas Delivery Point").

(b) The Daily Index Price, Index Price (Low) and Monthly Index Price for each Alternate Gas Delivery Point, as applicable, shall be the price mutually agreed and identified by the Parties, or if no such price is identified for such Alternate Gas Delivery Point, the price shall be the Daily Index Price, Index Price (Low) or Monthly Index Price for such Alternate Gas Delivery Point, as applicable, specified on Exhibit A for the Primary Gas Delivery Point from which quantities are being shifted to such Alternate Gas Delivery Point. The Parties shall (i) update Exhibit A upon any change to the terms thereof, including particularly as a result of any update to the Contract Index Price to reflect a change in the Delivery Point Premium as defined in and established pursuant to the terms of the Commodity Supply Contract, and (ii) deliver a copy of such updated Exhibit A to the Swap Counterparty consistent with the terms of the Buyer Swap and the Seller Swap.

(c) All Electricity delivered under this Agreement shall be Scheduled (i) at the delivery point set forth in Exhibit A (the "Primary Electricity Delivery Point"), (ii) to any other point (an "Alternate Electricity Delivery Point") that has been mutually agreed by Buyer and Seller or selected by Buyer pursuant to the following sentence or (iii) any applicable Assigned Delivery

Point specified in an Assignment Schedule with respect to Assigned Electricity (the Primary Electricity Delivery Point, Alternate Electricity Delivery Point or Assigned Delivery Point, if specified, each being an "Electricity Delivery Point").

(d) The Day-Ahead Market Price and Real-Time Market Price for each Alternate Electricity Delivery Point, as applicable, shall be the price mutually agreed and identified by the Parties, or if no such price is identified for such Alternate Electricity Delivery Point, the price shall be the Day-Ahead Market Price and Real-Time Market Price for such Alternate Electricity Delivery Point, as applicable, specified on Exhibit A for the Primary Electricity Delivery Point from which quantities are being shifted to such Alternate Electricity Delivery Point.

Section 5.2 Responsibility for Transportation; Permits.

(a) Gas.

(i) Seller shall obtain and pay for all processing, gathering, and transportation necessary for delivery of the Contract Quantity to each Delivery Point. Buyer shall obtain or cause to be obtained and pay for or cause payment to be made for all transportation necessary to receive the Contract Quantity at each Delivery Point and to transport the Contract Quantity from each Delivery Point.

(ii) Should either Party receive an operational flow order or other order or notice from a Transporter requiring action to be taken in connection with the Gas flowing under this Agreement (a "Critical Notice"), such Party shall notify or cause the notification of the other Party of the Critical Notice and provide or cause to be provided to the other Party a copy of same by electronic mail, or facsimile if requested, within a Commercially Reasonable timeframe. The Parties shall exercise Commercially Reasonable Efforts required by the Critical Notice within the time prescribed by the applicable Transporter. Each Party shall, in accordance with the procedures set forth in Section 19.1, indemnify, defend and hold harmless the other Party from any Claims associated with any Critical Notice (i) of which the indemnifying Party failed to give the indemnified Party the notice required under this Agreement or (ii) under which the indemnifying Party failed to take the action required by the Critical Notice within the time prescribed, *provided* the notice from the indemnified Party was timely delivered.

(b) Electricity. Seller shall arrange and be responsible for transmission service of the Contract Quantity to the Delivery Point and shall Schedule or arrange for Scheduling services with its Transmission Providers, to deliver Electricity to the Delivery Point. Buyer shall arrange and be responsible for transmission service at and from the Delivery Point and shall Schedule or arrange for Scheduling services with its Transmission Providers to receive Electricity at the Delivery Point.

Section 5.3 Title and Risk of Loss.

(a) Title to the Commodities delivered under this Agreement and risk of loss shall pass from Seller to Buyer at the Delivery Point; *provided* that the transfer of title and risk of loss for all Assigned Gas and Assigned Electricity shall be in accordance with the applicable Gas

Assignment Agreement or PPA Assignment Agreement for any portion of the Contract Quantity for which an assignment agreement is in effect; *provided* furthermore that, notwithstanding anything to the contrary herein, no indemnity obligations shall apply as between the Parties with respect to any Assigned Product or Assigned Gas.

(b) With respect to Gas, as between the Parties, Seller shall be deemed to be in exclusive control and possession of the Gas delivered under this Agreement, and responsible for any damage or injury caused thereby, prior to the time such Gas has been delivered to Buyer at the Delivery Point. After delivery of Gas to Buyer at the Delivery Point, Buyer shall be deemed to be in exclusive control and possession thereof and responsible for any injury or damage caused thereby. Subject to Section 5.3(a), each Party (each, an "Indemnifying Party") assumes all liability for and, subject to the provisions of Section 19.1, shall indemnify, defend and hold harmless the other Party from any Claims, including death of Persons, arising from any act or incident occurring when title to Gas is vested in the Indemnifying Party.

Section 5.4 Daily Flow Rates. For Gas other than any portion of the Gas Contract Quantity for which a Gas Assignment Agreement is in effect, for which flow rates will be addressed in the applicable Gas Assignment Agreement, Seller shall nominate, schedule and deliver, and Buyer shall nominate, schedule and take, the Contract Quantity of Gas during the Gas Delivery Period at each Delivery Point in accordance with standard Firm service requirements of the Receiving Transporter and Delivering Transporter at such Delivery Point, unless otherwise agreed by the Parties; provided that, for the avoidance of doubt, neither Party in any case shall be obligated to incur additional costs by procuring additional services, running imbalances or taking any other actions to accommodate non-standard scheduling requirements of the other Party.

Section 5.5 Imbalances. The Parties shall use Commercially Reasonable Efforts to avoid the imposition of any Imbalance Charges. If Buyer or Seller receives an invoice from a Transporter that includes Imbalance Charges related to the obligations of either Party under this Agreement, the Parties shall determine the validity as well as the cause of such Imbalance Charges. If the Imbalance Charges were incurred as a result of Buyer's taking of quantities of Gas greater than or less than the Contract Quantity at any Delivery Point, then Buyer shall pay for such Imbalance Charges or reimburse Seller for such Imbalance Charges paid by Seller. If the Imbalance Charges were incurred as a result of Seller's delivery of quantities of Gas greater than or less than the Contract Quantities at any Delivery Point, then Seller shall pay for such Imbalance Charges or reimburse Buyer for such Imbalance Charges paid by Buyer. Additionally, notwithstanding anything to the contrary in this Section 5.5, neither Party shall have liability under this Agreement for Imbalance Charges in respect of any Gas required to be scheduled or delivered under an LAA Upstream Supply Contract (as defined in Exhibit G-1).

Section 5.6 Communications Protocol. Seller and Buyer shall comply with the communications protocols set forth in Exhibit G-1 for Gas deliveries and Exhibit G-2 for Electricity deliveries; *provided* that, for any portion of the Contract Quantity for which a Gas Assignment Agreement or a PPA Assignment Agreement is in effect, Scheduling and shall be in accordance with the applicable assignment agreement.

Section 5.7 Gas Quality and Measurement. Buyer shall not be required to accept Gas delivered by Seller that does not meet the pressure, quality and heat content requirements of

the Receiving Transporter as detailed in the applicable pipeline tariff. Buyer's sole and exclusive remedy against Seller with respect to any Gas that fails to meet such pressure, quality and heat content requirements shall be the right to reject non-conforming Gas and to receive payment under Article IV. If such rejected Gas meets the pressure, quality and heat content requirements of the Delivering Transporter, but does not meet such requirements of the Receiving Transporter, any such rejection by Buyer and failure to deliver by Seller shall be deemed to be excused by Force Majeure. For the avoidance of doubt, the provisions of Article XI shall apply to any such event of Force Majeure. If such rejected Gas does not meet such requirements of either the Receiving Transporter or the Delivering Transporter, Seller shall be deemed to have failed to deliver any such Gas that is properly rejected. With respect to any measurement of Gas delivered or received under this Agreement at any Delivery Point, the measurement of such Gas (including the definition of Btu used in making such measurement) by the operator of such Delivery Point shall be deemed to be conclusive; *provided*, however, if the operator of such Delivery Point revises its measurement statements for Gas, such revision shall be effective as the measurement of Gas for the purposes of this Agreement and may be corrected pursuant to Section 14.5. Notwithstanding the foregoing, but without prejudice to any right of Project Participant to reject Assigned Gas under and as defined in a Gas Assignment Agreement, measurement of Assigned Gas shall be as set forth in the applicable Gas Assignment Agreement and Seller shall not have any liability for the failure of any Assigned Gas to meet any applicable quality requirements.

Section 5.8 Assigned Products. Neither Party shall have any liability under this Article V with respect to any portion of the Contract Quantity for which a Gas Assignment Agreement or a PPA Assignment Agreement is in effect.

ARTICLE VI.
GAS ASSIGNMENT AGREEMENTS

The Project Participant may assign and J. Aron may agree to assume a portion of the Project Participant's rights and obligations under a Gas Assignment Agreement consistent with the terms set forth in Exhibit G-1.

ARTICLE VII.
COMMODITY REMARKETING

Section 7.1 Commodity Remarketing.

(a) Buyer shall request (and in the case of clauses (iv), (v) and (vi) below and Section 4.2, as applicable, shall be deemed to have requested) remarketing services from Seller pursuant to the provisions of Exhibit C if either (1) the Project Participant is in default under its Commodity Supply Contract or (2) the Project Participant (x) does not require or is unable to receive all or any portion of the Commodities purchased by Buyer under the Agreement and (y) requests that such Commodities be remarketed as a result of any of the following:

(i) Project Participant's decreased Gas requirements due to reduced generation requirements during the Gas Delivery Period;

(ii) decreased demand by Project Participant's retail customers;

(iii) subject to clause (b) below, a change in Law;

(iv) a quantity of Commodities less than (A) the [Assigned Daily Quantity] as defined in a Gas Assignment Agreement is delivered or taken hereunder on any Gas Day during an Assignment Period under a Gas Assignment Agreement for any reason other than Force Majeure or (B) the Assigned Prepay Quantity as defined in a PPA Assignment Agreement is delivered or taken hereunder in any Month during an Assignment Period under a PPA Assignment Agreement for any reason other than Force Majeure;

(v) an [Assigned PPA FM Remarketing Event (as defined in Exhibit F) occurs]; or

(vi) the application of Section 3.5 requiring the remarketing of Hourly Quantities.

(b) Any remarketing request delivered under clause (a)(iii) above shall constitute a "Structural Remarketing Notice" and shall be subject to the following requirements:

(i) a Structural Remarketing Notice may not be delivered prior to the date that is ten (10) years after the Execution Date of this Agreement;

(ii) a Structural Remarketing Notice must be provided at least six (6) Months in advance of the requested remarketing services; and;

(iii) any Structural Remarketing Notice shall be subject to Seller's consent in its reasonable discretion.

(c) If Buyer requests (or is deemed to request) remarketing of any Assigned Electricity for any reason, then J. Aron will have the right to terminate the Assignment Period applicable to such Assigned Electricity effective as of the first Hour to which such remarketing applies. If Seller elects to remarket any Assigned Electricity, Buyer and Seller shall negotiate in good faith to adjust the provisions of Exhibit C to reflect pricing, delivery and other terms related to such Assigned Electricity; provided that Seller shall have no obligation to remarket such Assigned Electricity unless and until Buyer and Seller have mutually agreed to such adjustments to Exhibit C.

Section 7.2 Delegation of Authority. Buyer hereby acknowledges and agrees that Seller shall delegate its rights and obligations under Exhibit C to J. Aron pursuant to the Commodity Sale and Service Agreement subject to Section 11 of Exhibit C. Notwithstanding any such delegation, Seller shall remain liable to Buyer for the performance of all of Seller's duties and obligations under this Agreement, including under Exhibit C.

ARTICLE VIII.
REPRESENTATIONS AND WARRANTIES

Section 8.1 Representations and Warranties. As a material inducement to entering into this Agreement, each Party, with respect to itself, hereby represents and warrants to the other Party as of the Execution Date as follows:

(a) For Buyer as the representing Party, Buyer is a joint powers authority, duly formed and validly existing under the Laws of the State of California;

(b) For Seller as the representing Party, it is duly organized and validly existing under the Laws of the state in which it is organized;

(c) it has all requisite power and authority to conduct its business, to own its properties and to execute, deliver and perform its obligations under this Agreement;

(d) there is no pending litigation, action, suit or proceeding or, to the best of such Party's knowledge, (i) pending investigation or (ii) threatened litigation, action, suit or proceeding, in each case, before or by any Government Agency, and, in each case, wherein an unfavorable decision, ruling or finding could reasonably be expected to materially and adversely affect the performance by such Party of its obligations under this Agreement or that questions the validity, binding effect or enforceability of this Agreement, or contesting any action taken or to be taken by such Party pursuant to this Agreement, or any of the transactions contemplated hereby;

(e) the execution, delivery and performance of this Agreement by such Party have been duly authorized by all necessary action on the part of such Party and do not require any approval or consent of any security holder of such Party or any holder (or any trustee for any holder) of any indebtedness or other obligation of such Party;

(f) this Agreement has been duly executed and delivered on behalf of such Party by an appropriate officer or authorized Person of such Party and constitutes the legal, valid and binding obligation of such Party, enforceable against it in accordance with its terms, as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and similar Laws affecting creditors' rights generally and by general principles of equity[, and in the case of Buyer, and by limitations on legal remedies against public agencies in the State of California][1];

(g) the execution, delivery and performance by such Party of this Agreement, and the consummation of the transactions contemplated hereby, including the incurrence by such Party of its financial obligations under this Agreement, shall not result in any violation of any term of any material contract or agreement applicable to it, or any of its charter or bylaws or of any license, permit, franchise, judgment, writ, injunction or regulation, decree, order, charter, Law, ordinance, rule or regulation applicable to it or any of its properties or to any obligations incurred by it or by which it or any of its properties or obligations are bound or affected, or of any determination or award of any arbitrator applicable to it, and shall not conflict with, or cause a breach of, or default under, any such term, in any case which in any material way, directly or indirectly, affects the validity of this Agreement or the due performance by such Party of its obligations herein, or result in the creation of any lien upon any of its properties or assets, except

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with respect to Buyer, the lien of the Bond Indenture and as otherwise contemplated by the Bond Indenture;

(h) to the best of the knowledge and belief of such Party, no consent, approval, order or authorization of, or registration, declaration or filing with, or giving of notice to, obtaining of any license or permit from, or taking of any other action with respect to, any Government Agency is required in connection with the valid authorization, execution, delivery and performance by such Party of this Agreement or the consummation of any of the transactions contemplated hereby other than those that have been obtained; and

(i) it enters this Agreement as a bona-fide, arm's-length transaction involving the mutual exchange of consideration and, once executed by both Parties, considers this Agreement a legally enforceable contract.

Section 8.2 Additional Representations and Warranties of Buyer. As a material inducement to entering into this Agreement, Buyer hereby represents and warrants to Seller as of the Execution Date as follows:

(a) Buyer is entering into this Agreement for the purpose of acquiring Commodities for sale to the Project Participant pursuant to the Commodity Supply Contract; and

(b) any amounts payable by Buyer under this Agreement shall (i) other than the Prepayment and except as otherwise provided in the Bond Indenture, be payable as an item of Operating Expense under (and as defined in) the Bond Indenture, and (ii) not constitute an indebtedness or liability of Buyer within the meaning of any constitutional or statutory limitation or restriction applicable to Buyer.

Section 8.3 Funding Agreement.

(a) Except (i) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Funding Agreement, (ii) to insert such provisions clarifying matters or questions arising under the Funding Agreement as are necessary or desirable and are not contrary to or inconsistent therewith or (iii) to convert or supplement any provision in a manner consistent with the intent of the Funding Agreement and the other Transaction Documents, Seller agrees that it shall not agree to any amendment, alteration, assignment or modification to the Funding Agreement without receipt of (A) a Rating Confirmation and (B) the prior written consent of Buyer; provided that, for the avoidance of doubt, no such consent of Buyer shall be required in connection with (I) the replacement, refinancing or re-pricing of the Funding Agreement at the end of any Interest Rate Period in accordance with the terms of the Funding Agreement or (II) Seller's assignment of its interest in the Funding Agreement or consent to Funding Recipient's assignment of its interest in the Funding Agreement by Funding Recipient to the extent Seller provides a Rating Confirmation to Buyer with respect to any such assignment.

(b) To the extent an Early Termination Payment Date is designated hereunder, Seller agrees that it shall promptly withdraw the entire amount of the [Funding Account] under and as defined in the Funding Agreement to the extent permitted by the terms thereof. Additionally, Seller agrees that it shall not withdraw the [Early Repayment Amount] under and as

defined in the Funding Agreement pursuant to the provision of Exhibit A to the Funding Agreement titled "Early Repayment Date and Early Repayment Amount" unless such Early Repayment Amount plus other available funds are sufficient for the early redemption of the Bonds.

Section 8.4 Warranty of Title. Seller warrants that it will have the right to convey and will transfer good and merchantable title to all Gas sold under this Agreement and delivered by it to Buyer, free and clear of all liens, encumbrances, and claims, *provided* that with respect to any portion of the Gas Contract Quantity for which a Gas Assignment Agreement is in effect, this warranty is limited to any liens, encumbrances and claims created by, through or under Seller.

Section 8.5 Disclaimer of Warranties. EXCEPT FOR THE WARRANTIES EXPRESSLY MADE BY BUYER AND SELLER IN THIS ARTICLE VIII, BUYER AND SELLER HEREBY DISCLAIM ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

ARTICLE IX.
TAXES

Seller shall (i) be responsible for all ad valorem, excise, severance, production and other taxes assessed with respect to Commodities (other than any portion of the Contract Quantity for which a Gas Assignment Agreement or a PPA Assignment is in effect) delivered pursuant to this Agreement upstream of the Delivery Point, and (ii) indemnify Buyer and its Affiliates for any such taxes paid by Buyer or its Affiliates. Buyer shall (i) be responsible for all such taxes assessed at or downstream of the Delivery Point, and (ii) indemnify Seller and its Affiliates for any such taxes paid by Seller or its Affiliates.

ARTICLE X.
JURISDICTION; WAIVER OF JURY TRIAL

Section 10.1 Consent to Jurisdiction. ALL JUDICIAL PROCEEDINGS BROUGHT AGAINST EITHER PARTY ARISING OUT OF OR RELATING HERETO SHALL BE BROUGHT EXCLUSIVELY IN THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA FOR THE EASTERN DISTRICT OF CALIFORNIA. BY EXECUTING AND DELIVERING THIS AGREEMENT, EACH PARTY AGREES THAT SERVICE OF ALL PROCESS IN ANY SUCH PROCEEDING IN ANY SUCH COURT MAY BE MADE BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE PARTY AT ITS ADDRESS PROVIDED IN ACCORDANCE WITH **Error! Reference source not found.**; AND AGREES THAT SERVICE AS PROVIDED ABOVE IS SUFFICIENT TO CONFER PERSONAL JURISDICTION OVER THE PARTY IN ANY SUCH PROCEEDING IN ANY SUCH COURT, AND OTHERWISE CONSTITUTES EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT.

Section 10.2 Waiver of Jury Trial. TO THE EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HEREBY AGREES TO WAIVE ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING

UNDER THIS AGREEMENT. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS AGREEMENT, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH PARTY ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN ITS RELATED FUTURE DEALINGS. EACH PARTY FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 10.2 AND EXECUTED BY EACH OF THE PARTIES), AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS HERETO. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY A COURT.

ARTICLE XI.
FORCE MAJEURE

Section 11.1 Applicability of Force Majeure. To the extent either Party is prevented by Force Majeure from carrying out, in whole or part, its obligations under this Agreement and such Party (the "Claiming Party") gives notice and details of the Force Majeure to the other Party as soon as practicable, then the Claiming Party shall be excused from the performance of its obligations with respect to this Agreement (other than the obligation to make payments then due or becoming due with respect to performance prior to the Force Majeure and the obligations of the Seller to make payments under Section 4.3). The Claiming Party shall mitigate the Force Majeure with all reasonable dispatch. For the duration of the Claiming Party's non-performance (and only for such period), the non-Claiming Party shall not be required to perform or resume performance of its obligations to the Claiming Party corresponding to the obligations of the Claiming Party excused by Force Majeure.

Section 11.2 Settlement of Labor Disputes. Notwithstanding anything to the contrary herein, the Parties agree that the settlement of strikes, lockouts or other industrial disturbances shall be within the sole discretion of the Party experiencing such disturbance, and the failure of a Party to settle such strikes, lockouts or other industrial disturbances shall not prevent the existence of Force Majeure or of reasonable dispatch to remedy the same.

ARTICLE XII.
GOVERNMENTAL RULES AND REGULATIONS

Section 12.1 Compliance with Laws. This Agreement shall be subject to all present and future Laws of any Government Agency having jurisdiction, and neither Party has knowingly undertaken or will knowingly undertake or knowingly cause to be undertaken any

activity that would conflict with such Laws; *provided*, however, that nothing herein shall be construed to restrict or limit either Party's right to object to or contest any such Law, or its application to this Agreement or the transactions undertaken hereunder, and neither acquiescence therein or compliance therewith for any period of time shall be construed as a waiver of such right.

Section 12.2 Contests. Excluding all matters involving a contractual dispute between the Parties, no Party shall contest, cause to be contested or in any way actively support the contest of the equity, fairness, reasonableness or lawfulness of any terms or conditions set forth or established pursuant to this Agreement, as those terms or conditions may be at issue before any Government Agency in any proceeding, if the successful result of such contest would be to preclude or excuse the performance of this Agreement by either Party.

Section 12.3 Defense of Agreement. Excluding all matters involving a contractual dispute between the Parties, each Party shall hereafter defend and support this Agreement before any Government Agency in any proceeding, if the substance, validity or enforceability of all or any part of this Agreement is hereafter directly challenged or if any proposed changes in regulatory practices or procedures would have the effect of making this Agreement invalid or unenforceable or would subject either Party to any greater or different regulation or jurisdiction that materially affects the rights or obligations of the Parties under this Agreement.

ARTICLE XIII.
ASSIGNMENT

Neither Party shall assign this Agreement or any of its rights or obligations under this Agreement without the prior written consent of the other Party; *provided*, however, that:

(a) pursuant to the Bond Indenture, Buyer may, without the consent of Seller, transfer, sell, pledge, encumber or assign this Agreement to the Trustee in connection with any financing or other financial arrangements; *provided* that Buyer shall not assign this Agreement unless, contemporaneously with the effectiveness of such assignment, Buyer also assigns the Buyer Swap (and the Buyer Swap Custodial Agreement) to the same assignee;

(b) upon written notice to Buyer, Seller may, without Buyer's consent, assign this Agreement to an Affiliate of Seller, which assignment shall constitute a novation; provided that the assignee shall agree in writing to be bound by the terms and conditions of this Agreement and Seller shall not assign this Agreement unless (i) Seller delivers a Rating Confirmation to Buyer with respect to such assignment, (ii) contemporaneously with the effectiveness of such assignment, Seller also assigns the Seller Swaps, the Seller Swap Custodial Agreements and the SPE Master Custodial Agreement to the same assignee and either (A) Seller assigns the Funding Agreement and Commodity Sale and Service Agreement to the same assignee or (B) the assignee provides to Buyer a guarantee of its obligations by GSG (as defined in the Commodity Sale and Service Agreement) and GSG continues to guarantee the obligations of J. Aron (or any successor to or assignee of J. Aron) under the Commodity Sale and Service Agreement, and (iii) the assignee is a special purpose entity approved by Buyer or its obligations under this Agreement are guaranteed by a Funding Recipient to the satisfaction of Buyer; and

(c) if (i) Seller notifies Buyer that the Funding Agreement will not be replaced, refinanced, or re-priced as of the end of any Interest Rate Period, (ii) Seller is unable to provide, under the Re-Pricing Agreement, an estimated Available Discount Percentage (as defined in the Re-Pricing Agreement) that is equal to or greater than the Minimum Discount Percentage under the Commodity Supply Contract, or (iii) if Buyer can provide reasonable evidence that the Seller's estimated Reset Period Implied Rate (as defined in the Re-Pricing Agreement) is materially less than the rate Seller would offer to a substantially similar counterparty in an arm's length transaction on the same date, then, at the request of Buyer, Seller will reasonably cooperate with Buyer to cause Seller's (or Seller's Affiliate's, if applicable) interest in this Agreement, the Re-Pricing Agreement, the Seller Swap and any Specified Investment Agreement with a term that extends past the then-current Interest Rate Period to which Seller or any Affiliate is a party and all agreements related to any of the foregoing (the "Transaction Documents") to be novated to a replacement seller; *provided* that (w) a Rating Confirmation (as defined in the Bond Indenture) is obtained for any Bonds required to be tendered for purchase on the first Mandatory Purchase Date following the effective date of such novation, (x) the Swap Counterparty shall have provided its prior written consent to such assignment in accordance with the terms of the Seller Swap, (y) after giving effect to such novation, Seller will have no obligations (contingent or otherwise, including any obligation to make or repeat any representations or warranties other than basic representations on authority and the right to transfer its interests under this Agreement without encumbrances) or be required to make any payment under any Transaction Document or otherwise in connection with or following such novation other than any obligations that would have existed or payments that would have been required had this Agreement terminated as of the end of the last Reset Period that commenced prior to such novation, and (z) as it relates to clause (iii) above, Seller shall have a right to match the Reset Period Implied Rate provided by the potential novated counterparty.

ARTICLE XIV.
PAYMENTS

Section 14.1 Monthly Statements.

(a) No later than the 5th day of each Month during the Delivery Period (excluding the first Month of the Delivery Period) and the first Month following the end of the Delivery Period, Buyer shall deliver to Seller a statement (a "Buyer's Statement") listing (i) for each purchase of Replacement Gas or Replacement Electricity, the quantity and replacement price applicable to such purchase, and (ii) any other amounts due to Buyer in connection with this Agreement with respect to the prior Month(s).

(b) No later than the 10th day of each Month during the Delivery Period (excluding the first Month of the Delivery Period) and the first Month following the end of the Delivery Period (the "Billing Date"), Seller shall deliver a statement (a "Billing Statement") to Buyer indicating (i) the total amount due to Buyer, if any, under Article IV, Article V and Article VII and Exhibit C with respect to the prior Month(s), (ii) any amounts due to Seller in connection with this Agreement with respect to the prior Month(s), and (iii) the net amount due to Buyer or Seller. If the actual quantity of Commodities delivered is not known by the Billing Date, Seller may provisionally prepare a Billing Statement based on Seller's best available knowledge of the quantity of Commodities delivered, which shall not exceed the sum of the Contract Quantity of all the Gas Days or Hours (as applicable) in such Month plus any make-up quantities delivered during

such Month. The invoiced quantity and amounts paid thereon (with interest calculated on the amount overpaid or underpaid by Buyer at the Default Rate) will then be adjusted on the following Month's Billing Statement, as actual delivery information becomes available based on the actual quantity delivered. The Parties acknowledge and agree that all amounts owed to and from Seller in connection with the Commodity Project shall be paid pursuant to the SPE Master Custodial Agreement, and the Billing Statement may be provided by J. Aron, as Seller's agent, in the form of a consolidated statement regarding all amounts owed to and from Seller in connection with the Commodity Project for each Month, including payments to be made under this Agreement, the Funding Agreement, the Commodity Sale and Service Agreement and the Seller Swap.

(c) Upon request by either Party, the other Party shall deliver such supporting documentation of the foregoing as such requesting Party may reasonably request.

Section 14.2 Payment.

(a) If the Billing Statement indicates an amount due from Buyer, then Buyer shall remit such amount to Seller by wire transfer (pursuant to the instructions set forth in the SPE Master Custodial Agreement), in immediately available funds, on or before the later of (i) the 25th day of the Month following the most recent Month to which such Billing Statement relates, or (ii) the 10th day following Buyer's receipt of Seller's Billing Statement, or if either such day is not a Business Day, the following Business Day. If the Billing Statement indicates an amount due from Seller, then Seller shall remit such amount to Buyer by wire transfer (pursuant to Buyer's instructions), in immediately available funds, on or before the later of (i) the 22nd day of the Month following the most recent Month to which such Billing Statement relates, or (ii) the 10th day following Seller's receipt of Buyer's Statement, or if either such day is not a Business Day, the preceding Business Day.

(b) If Buyer fails to issue a Buyer's Statement with respect to any Month, Seller shall not be required to estimate any amounts due to Buyer for such Month, *provided* that Buyer may include any such amount on subsequent Buyer's Statements issued within the next sixty (60) days. The sixty (60)-day deadline in this subsection (b) replaces the two (2)-year deadline in Section 14.5 with respect to any claim by any non-delivering Party of inaccuracy in any estimated invoice issued or payment made pursuant to this subsection (b).

Section 14.3 Payment of Disputed Amounts; Correction of Indexes or Rates. If Seller disputes any amounts included in the Buyer's Statement, Seller shall (a) nonetheless calculate the Billing Statement based on the amounts included in Buyer's Statement and (b) pay any amount required by the Billing Statement in accordance with Section 14.2 without regard to any right of set-off, counterclaim, recoupment or other defenses to payment that Seller may have; *provided*, however, that Seller shall have the right, after payment, to dispute any amounts included in a Buyer's Statement or otherwise used to calculate payments due under this Agreement pursuant to Section 14.5(b). If Buyer disputes any amounts included in the Billing Statement, Buyer may withhold payment to the extent of the disputed amount; *provided*, however, that interest shall be due at the Default Rate for any withheld amount later found to have been properly due.

Section 14.4 Late Payment. If a Party owing a net payment under Section 14.2 fails to remit the full amount payable within one Business Day of when due, interest on the unpaid portion shall accrue from the date due until the date of payment at the Default Rate.

Section 14.5 Audit; Adjustments.

(a) A Party shall have the right, at its own expense, upon reasonable notice to the other Party and at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other Party to the extent reasonably necessary, but only to such extent, to verify the accuracy of any statement, charge, payment, or computation made under this Agreement; *provided* that, notwithstanding the foregoing, to the extent any such examination and audit reveals any material discrepancy in the other Party's books and records, the examining Party shall have a right to be reimbursed by the other Party for costs reasonably incurred in connection with such examination and audit. This right to examine, audit, and obtain copies shall not be available with respect to proprietary information not directly relevant to transactions under this Agreement.

(b) Each Buyer's Statement and each Billing Statement shall be conclusively presumed final and accurate and all associated claims for under- or overpayments shall be deemed waived unless such Buyer's Statement or Billing Statement is objected to in writing, with adequate explanation and/or documentation, within two (2) years after the applicable Month of Commodity delivery.

(c) All retroactive adjustments shall be paid in full by the Party owing payment within 30 days of notice and substantiation of such inaccuracy. If the Parties are unable to agree upon any retroactive adjustments requested by either Party within the time period specified in Section 14.5(b), then either Party may pursue any remedies available with respect to such adjustments at law or in equity. Retroactive adjustments for payments made based on incorrect Buyer's Statements or Billing Statements shall bear interest at the Default Rate from the date such payment was made. Buyer shall cause Project Participant to comply with the provisions of Section 14.5(a) to the extent necessary to allow Seller to verify any amounts due under this Agreement.

Section 14.6 Netting. The Parties shall net all amounts due and owing, including any past due amounts (which, for the avoidance of doubt, shall include any accrued interest), arising under this Agreement such that the Party owing the greater amount shall make a single payment of the net amount to the other Party in accordance with this Article XIV. Notwithstanding the foregoing, Seller shall not be entitled to net (i) any amounts that are in dispute or (ii) any payments due to Seller against (A) the Termination Payment if it becomes due, or (B) any payments due from Seller pursuant to Article IV, Article V or Exhibit C.

ARTICLE XV.
PPA ASSIGNMENT AGREEMENTS

Section 15.1 Assignment by Project Participant. The Project Participant and the Buyer have agreed pursuant to Article XV of the Commodity Supply Contract that the Project Participant has the right to propose to assign certain Assigned Rights and Obligations under one or more power purchase agreements to J. Aron. If the Project Participant does so, and to the extent

such assignment is accepted by J. Aron, Buyer, J. Aron, and the Project Participant have agreed to comply with Article XV of the Commodity Supply Contract. Following the effectiveness of any PPA Assignment Agreement and Assignment Schedule executed pursuant thereto, the Hourly Quantities of Electricity shall be reduced as contemplated by Article XV and Exhibit H of the Commodity Supply Contract to reflect the Commodities acquired by Seller pursuant to such assignment. References to Article XV and Exhibit H of the Commodity Supply Contract mean that Commodity Supply Contract as it originally exists, without regard to any modification, amendments, supplements or waivers thereto (including any embedded definitions or cross-referenced provisions) that have not been consented to by J. Aron in its sole discretion.

Section 15.2 Adjustments to Swaps. The Parties agree to issue appropriate notices to cause the Buyer Swap and the Seller Swap to be revised for each Assignment Period such that the notional quantity under such swaps will be reduced to reflect the Reduced Hourly Quantity determined pursuant to Article XV of the Commodity Supply Contract; *provided* that such revisions will revert back effective as of the end of the Assignment Period pursuant to the terms of the Assignment Schedule and the applicable PPA Assignment Agreement.

Section 15.3 Early Termination of Assignment Period. Except for any Assignment Period that terminates contemporaneously with this Agreement, upon termination for any reason of the Assignment Period for any PPA Assignment Agreement, the Hourly Quantity shall be increased for all future periods to reverse any reductions to the Hourly Quantity made in connection with such PPA Assignment Agreement.

ARTICLE XVI.
NOTICES

Any notice, demand, statement or request required or authorized by this Agreement to be given by one Party to the other Party (or to a third party) shall be in writing and shall either be sent by email transmission, courier, or personal delivery (including overnight delivery service) to each of the notice recipients and addresses specified in Exhibit B for the receiving Party. Any such notice, demand, statement or request shall be deemed to be given (i) when delivered by email transmission, or (ii) when actually received if delivered by courier or personal delivery (including overnight delivery service). Each Party shall have the right, upon 10 days' prior written notice to the other Party, to change its list of notice recipients and addresses in Exhibit B. The Parties may mutually agree in writing at any time to deliver notices, demands or requests through alternate or additional methods. Notwithstanding the foregoing, either Party may at any time notify the other that any notice, demand, statement or request to it must be provided by email transmission for a specified period of time or until further notice, and any communications delivered by means other than email transmission during such time shall be ineffective.

ARTICLE XVII.
DEFAULT; REMEDIES; TERMINATION

Section 17.1 Commodity Delivery Termination Events and Termination Payment Events. Each event listed on the table below constitutes a "Commodity Delivery Termination Event". This table also specifies the potential Terminating Party for each Commodity Delivery Termination Event and identifies which Commodity Delivery Termination Events are also

Termination Payment Events. For each Commodity Delivery Termination Event where the potential Terminating Party is listed as "Automatic", such event is an "Automatic Commodity Delivery Termination Event" and each other Commodity Delivery Termination Event is an "Optional Commodity Delivery Termination Event."

[Table on following page.]

Event Related to:	Commodity Delivery Termination Event:	Potential Terminating Party:	Termination Payment Event?
a) Failure of Seller to pay Buyer due to Funding Recipient failure to pay Seller	Seller fails to pay when due any amounts owed to Buyer pursuant to this Agreement because of a failure by Funding Recipient to pay when due any amounts owed to Seller pursuant to the Funding Agreement and such failure continues for 30 days after Buyer gives notice thereof to Seller.	Automatic	Yes
b) Failure of bond remarketing or re-pricing of Funding Agreement	As of one week prior to the beginning of the first Month following a Reset Period, either: (i) Buyer has not entered into a bond purchase agreement, firm remarketing agreement or similar agreement with respect to the remarketing or refunding of the existing Bonds; or (ii) Seller is unable to replace, refinance or re-price the Funding Agreement with Funding Recipient or a replacement Funding Recipient for a subsequent Reset Period.	Automatic	Yes
c) Failed Remarketing	A Failed Remarketing occurs.	Automatic	Yes
d) Ledger Event	The occurrence of a Ledger Event.	Seller	No
e) Failure to purchase Identified Receivables (as defined in Exhibit E)	Both: (i) Seller has received a Call Receivables Offer (as defined in Exhibit E) pursuant to Section 2.2(a) of the Exhibit E and (ii) Seller has not exercised or is deemed not to have exercised its related option to purchase the Identified Receivables described in such Call Receivables Offer.	Automatic	No
f) Designation of an Early Termination Date (as defined under the Commodity Sale and Service Agreement)	J. Aron designates an Early Termination Date (as defined in the Commodity Sale and Service Agreement) under the Commodity Sale and Service Agreement due to a CSC Remarketing Election for any Reset Period by the Project Participant.	Automatic	Yes

Event Related to:	Commodity Delivery Termination Event:	Potential Terminating Party:	Termination Payment Event?
g) Termination of Commodity Sale and Service Agreement and Failure to Replace J. Aron	Both: (i) an Early Termination Date (as defined in the Commodity Sale and Service Agreement) occurs under the Commodity Sale and Service Agreement]for any reason other than as set forth in Section 17.1(f)], and (ii) Seller is unable to enter into a replacement Commodity Sale and Service Agreement with substantially the same terms or terms otherwise approved by Buyer by the date that is 120 days following such Early Termination Date under the Commodity Sale and Service Agreement. For the avoidance of doubt, Seller may only enter into such a replacement Commodity Sale and Service Agreement described under clause (ii) if (A) the GSG Guaranty (as defined in the Commodity Sale and Service Agreement) applies to the obligations of the replacement seller thereunder or (B) Seller delivers a Rating Confirmation to Buyer with respect to its entry into such replacement Commodity Sale and Service Agreement.	Automatic	No
h) Termination of a Buyer Swap	Except in the case where an Automatic Commodity Delivery Termination Event has occurred under Sections 17.1(e) [Failure to Purchase Identified Receivables], [17.1(f) [Designation of an Early Termination Date (as defined under the Commodity Sale and Service Agreement)], 17.1(g) [Termination of Commodity Sale and Service Agreement], 17.1(i) [Termination of a Buyer Swap for Certain Buyer Defaults] or 17.1(j) [Termination of Seller Swap for Seller Defaults], both: (i) an Early Termination Date (as defined in the Buyer Swap) is designated by a Swap Counterparty pursuant to the terms of a Buyer Swap or occurs automatically pursuant to the terms of a Buyer Swap based on a Termination Event where Buyer is the sole Affected Party (as each term is defined in the Buyer Swap), and (ii) either the corresponding Seller Swap or such Buyer Swap is not replaced within the Swap Replacement Period.	Seller	No

Event Related to:	**Commodity Delivery Termination Event:**	**Potential Terminating Party:**	**Termination Payment Event?**
i) Termination of a Buyer Swap for Certain Buyer Defaults and Termination Events	An Early Termination Date (as defined in the Buyer Swap) is designated by a Swap Counterparty pursuant to the terms of a Buyer Swap based on an Event of Default under Section 5(a)(vii) (Bankruptcy) of a Buyer Swap where Buyer is the Defaulting Party (as each term is defined in the Buyer Swap).	Automatic	No
j) Termination of a Seller Swap for Seller Defaults and Termination Events	Both: (i) an Early Termination Date (as defined in the Seller Swap) is designated by a Swap Counterparty pursuant to the terms of a Seller Swap based on an Event of Default where Seller is the Defaulting Party or a Termination Event where Seller is the sole Affected Party (as each term is defined in the Seller Swap) or otherwise occurs automatically pursuant to the terms of a Seller Swap, but excluding any termination as a result of the termination of this Agreement based on a Commodity Delivery Termination Event under Section 17.1(d) or Section 17.1(h), and (ii) such Seller Swap or the corresponding Buyer Swap is not replaced within the Swap Replacement Period.	Automatic	No

Section 17.2 Payments Following a Ledger Event. Following the occurrence of a Ledger Event, Seller shall pay to Buyer any amounts that become payable from J. Aron to Seller pursuant to Section 17.6 of the Commodity Sale and Service Agreement, which amounts will accrue from the date of a Ledger Event until (but not including) the date on which a Termination Payment Event occurs.

Section 17.3 Reserved.

Section 17.4 Remedies and Termination.

(a) Automatic Commodity Delivery Termination Event. Upon the occurrence of any Automatic Commodity Delivery Termination Event, a Commodity Delivery Termination Date shall be deemed to be designated as of the end of the Month in which the Automatic Commodity Delivery Termination Event occurs.

(b) Optional Commodity Delivery Termination Event. If at any time an Optional Commodity Delivery Termination Event has occurred and is continuing, then the Terminating Party, by notice to the other Party specifying the relevant Optional Commodity Delivery Termination Event, may designate a day not earlier than the last day of the Month in which such notice is deemed given under Article XVI as the Commodity Delivery Termination Date; provided, however, that with respect to an Optional Commodity Delivery Termination Event related to a Buyer Swap or Seller Swap, the Terminating Party may, at any time after the commencement of the Swap Replacement Period, conditionally designate a Commodity Delivery Termination Date, with such designation being conditioned upon (i) the termination and failure to replace either the corresponding Seller Swap or such Buyer Swap and (ii) the Commodity Delivery Termination Date occurring no earlier than the last day of the Month in which the Swap Replacement Period ends.

(c) Effect of Commodity Delivery Termination Date. As of the Commodity Delivery Termination Date, (i) the Delivery Period shall end, (ii) the obligation of Buyer to receive delivery of Commodities from Seller under this Agreement shall terminate, and (iii) the obligation of Seller to Schedule or make any further deliveries of Commodities to Buyer under this Agreement shall terminate and, unless such Commodity Delivery Termination Date resulted from a Termination Payment Event, such obligation to deliver Commodities shall be replaced with a continuing obligation to make payment of the amounts set forth in Exhibit D-3 to Buyer until the earlier of (A) the Month in which a Termination Payment Event occurs and (B) the last due date for such payments under Exhibit D-3. For the avoidance of doubt, (i) except as set forth in this Section 17.4(c) and in Section 17.4(d), this Agreement will continue past a Commodity Delivery Termination Date, and (ii) a Termination Payment Event may arise contemporaneously with a Commodity Delivery Termination Date or at any time thereafter and the occurrence of a Commodity Delivery Termination Date shall not prevent the occurrence of a Termination Payment Event.

(d) Termination Payment Event; Early Termination Payment Date. A Termination Payment Event shall occur upon (i) a Commodity Delivery Termination Event that is

specified as a Termination Payment Event in Section 17.1 or (ii) a J. Aron Acceleration Option. Following a Termination Payment Event, Seller on the Early Termination Payment Date shall (A) pay the Termination Payment and (B) if applicable, pay the Additional Termination Payment, in each case, to the Trustee pursuant to payment instructions issued by Buyer or, in the absence of such instructions, by wire transfer. Such amounts shall be paid together with interest thereon (before as well as after judgment) from (and including) the Early Termination Payment Date to (but excluding) the date such amount is paid, at the Default Rate. The obligation of Seller to pay the Termination Payment on the Early Termination Payment Date is unconditional, irrespective of the validity or enforceability of this Agreement or any other agreement contemplated hereby, any waiver or consent by Buyer, or any other circumstances that might otherwise constitute a legal or equitable discharge of Seller or a defense of Seller to pay the Termination Payment. Seller waives all rights to set-off, counterclaim, recoupment and any other defenses that might otherwise be available to Seller with regard to Seller's obligation to pay the Termination Payment on the Early Termination Payment Date.

(e) Acknowledgement of Parties. The Parties acknowledge that it is impractical and difficult to assess actual damages as a result of a termination of the Delivery Period under this Agreement, and the Parties therefore agree that the payment of the Termination Payment and any applicable Additional Termination Payment or the continued payment of amounts specified in Exhibit D-3, as applicable, is a fair and reasonable pre-estimate of the actual damages that would be incurred by Buyer as a result of termination of the Delivery Period under this Agreement for any reason and is not a penalty.

(f) Exclusive Termination Rights. Neither this Agreement nor the Delivery Period may be terminated for any reason except as specified in this Article XVII and in Section 2.2. Except with respect to amounts due for periods prior to the Commodity Delivery Termination Date, the continued payment of amounts required to be made under Section 17.4(c), and, as applicable, the payment of the Termination Payment and any Additional Termination Payment shall be the sole and exclusive remedy for each Party upon the termination of the Delivery Period and this Agreement for any reason, including as a result of rejection of this Agreement by either Party in any bankruptcy proceedings.

(g) Payment of Investment Agreement Breakage Costs. In the event that a payment in respect of breakage costs becomes due from Buyer under a Specified Investment Agreement due to the occurrence of an Early Termination Payment Date, Seller shall pay to Buyer an amount equal to the amount of such payment no later than the later of (A) one Business Day prior to the date such payment is required to be paid by Buyer pursuant to such Specified Investment Agreement and (B) one Business Day following receipt by Seller of a statement setting forth in reasonable detail the amount of such payment. In the event that a payment in respect of breakage costs becomes payable to Buyer under a Specified Investment Agreement due to the occurrence of a Commodity Delivery Termination Date, Buyer shall pay to Seller an amount equal to the amount of such payment no later than one Business Day following receipt of such payment by Buyer.

Section 17.5 Replacement of Swaps.

(a) Neither Party shall exercise any optional right it may have to terminate this Agreement as a result of the termination of any Seller Swap or any Buyer Swap without first complying with this Section 17.5. Each of Buyer and Seller agrees that it will not replace any Buyer Swap or Seller Swap, as applicable, unless the other Party is replacing its Buyer Swap or Seller Swap, as applicable, with the same replacement Swap Counterparty.

(b) If:

(i) any Buyer Swap or any Seller Swap terminates,

(ii) Buyer or Seller delivers a termination notice under a Buyer Swap or Seller Swap,

(iii) a Swap Counterparty delivers a termination notice under a Buyer Swap or Seller Swap, or

(iv) any Buyer Swap or any Seller Swap is otherwise reasonably anticipated to become subject to immediate termination,

then each Party whose swap is affected shall notify the other Party of the existence of such circumstances and identify the affected Buyer Swap or Seller Swap (the "Affected Swap").

(c) Following receipt of a notice under Section 17.5(b), the Parties shall attempt to replace both the Affected Swap and the corresponding unaffected Seller Swap or Buyer Swap with the same Swap Counterparty (the "Unaffected Swap") by:

(i) if a Buyer Swap and a Seller Swap with another Swap Counterparty are in effect and otherwise are not subject to termination, (A) exercising any rights they may have to increase their notional quantities under such Buyer Swap and Seller Swap in order to effect a replacement upon termination of the Affected Swap (which increase shall be deemed to be a replacement of both the Buyer Swap and Seller Swap for purposes of Section 17.5 if the full notional quantities of the Affected Swap are thereby replaced), and (B) subsequent to such a replacement, cooperating in good faith to locate replacement agreements with a second Swap Counterparty and, upon locating a second Swap Counterparty, Seller and Buyer shall reduce their notional quantities under the remaining Seller Swap and Buyer Swap to their original levels and enter into a replacement Seller Swap and Buyer Swap with the replacement Swap Counterparty for the remaining notional quantities; or

(ii) to the extent Seller or Buyer cannot increase their notional quantities under another Buyer Swap and Seller Swap as contemplated by clause (i), cooperating in good faith to locate replacement agreements with an alternate Swap Counterparty to replace both the relevant Seller Swap and Buyer Swap within the Swap Replacement Period.

(d) The "Swap Replacement Period" is a period (i) commencing on the earlier of the date of (x) any termination of a Buyer Swap or Seller Swap designated by a Swap Counterparty, and (y) delivery of a notice of anticipated termination of a Buyer Swap or Seller Swap by a Swap Counterparty, and (ii) ending 60 days after such date described in clause (i); provided that:

(i) the Swap Replacement Period will end immediately once it starts if such Buyer Swap or Seller Swap is subject to termination due to the insolvency or bankruptcy of Buyer or Seller;

(ii) the Swap Replacement Period will end five (5) Business Days after it starts if such Seller Swap is subject to termination due to Seller's failure to pay amounts due or post credit support, other than where (A) any such failure to pay or post credit support was caused solely by error or omission of an administrative or operational nature; (B) funds were available to enable Seller to make such payment when due; and (C) such payment is made within two (2) Business Days of Seller's receipt of written notice of its failure to pay or post credit support;

(iii) if (A) the Unaffected Swap has been terminated on or prior to the last day of the Month in which the Affected Swap is terminated and (B) the Parties continue to make payments under the Swap Custodial Agreement consistent with **Error! Reference source not found.** hereof, the Swap Replacement Period will end on the last day of the Month in which the 120th day following commencement of the Swap Replacement Period occurs; and

(iv) if Buyer or Seller delivers a [Reset Termination Exercise Notice] (as such term is defined in the Buyer Swap and the Seller Swap), then the Swap Replacement Period shall be the notice period specified under the applicable Buyer Swap or Seller Swap.

(e) If during a Swap Replacement Period Seller:

(i) presents to Buyer a proposed alternate Swap Counterparty,

(ii) requests in writing that Buyer enter into a replacement swap with such alternate Swap Counterparty, and

(iii) agrees to pay Buyer's reasonable expenses in connection therewith,

then, to the extent permitted by the Buyer Swap and the Bond Indenture and as requested by Seller, Buyer shall: (A) enter into a master agreement with such alternate Swap Counterparty and (B) either (1) terminate the Buyer Swap when permitted thereby and enter into a replacement transaction under such new master agreement to the same effect as the terminated Buyer Swap, (2) cause such Buyer Swap to be novated to such replacement Swap Counterparty, or (3) reduce the notional quantities under its existing Buyer Swap to the level prior to the increase thereof.

(f) If a Seller Swap terminates or is no longer in effect and a Prepay LLC Payments Period (as defined in the Seller Swap Custodial Agreements) is in effect, then, during

such Prepay LLC Payments Period, Seller in connection with the delivery of Commodities hereunder shall comply with the terms of the applicable Seller Swap Custodial Agreement and make all payments as and when required under such Seller Swap Custodial Agreement. If a Buyer Swap terminates or is no longer in effect and an Issuer Payments Period (as defined in the Buyer Swap Custodial Agreements) is in effect, then, during such Issuer Payments Period, Buyer in connection with the delivery of Commodities hereunder shall comply with the terms of the applicable Buyer Swap Custodial Agreement and make all payments as and when required under such Buyer Swap Custodial Agreement. The Parties agree that during any Prepay LLC Payments Period and during any Issuer Payments Period, Seller shall act as calculation agent under the applicable Seller Swap Custodial Agreement or the applicable Buyer Swap Custodial Agreement with respect to any terminated Seller Swap or Buyer Swap. Seller agrees not to permit any amendment or other modification to a Seller Swap Custodial Agreement that could adversely affect the right of Buyer to receive payments pursuant such Seller Swap Custodial Agreement. Buyer agrees not to permit any amendment or other modification to a Buyer Swap Custodial Agreement that could adversely affect the right of Seller to receive payments pursuant to such Buyer Swap Custodial Agreement.

Section 17.6 Present Assignment and Waiver of Right to Additional Termination Payments.

(a) The Parties hereto acknowledge that (i) the terms of the Buyer Swap do not entitle Buyer to any payments in respect of any termination of the Buyer Swap other than for Unpaid Amounts (as therein defined), (ii) the terms of the Seller Swap do not entitle the Swap Counterparty to any payments in respect of any termination of a Seller Swap other than in respect of Unpaid Amounts (as defined therein), and (iii) pursuant to the terms of the Buyer Swap, the Swap Counterparty has assigned to Buyer all rights to any payments and rights to receive payments that such Swap Counterparty receives or becomes entitled to receive in the future arising as a result of or otherwise in respect of any early termination of a Seller Swap, excluding only any right for the Swap Counterparty to receive Unpaid Amounts (as defined therein) (any such payment under clause (iii), excluding any such Unpaid Amounts, a "Seller Swap MTM Payment"). As additional consideration hereunder, Buyer hereby transfers and assigns to Seller all of Buyer's right, title, and interest to all payments and rights to receive payments, if any, that Buyer receives or becomes entitled to receive in the future arising as a result of or otherwise in respect of a Seller Swap MTM Payment. Buyer agrees that it will not take any steps to enforce any right to receive any payments that it has assigned to Seller pursuant to this Section 17.6(a).

(b) The Parties further acknowledge that the terms of the Seller Swaps do not entitle Seller to any payments in respect of any termination of a Seller Swap other than for Unpaid Amounts (as defined therein). Nonetheless, Seller hereby presently transfers and assigns to Buyer all of Seller's right, title and interest to any payments and rights to receive payments that Seller receives or becomes entitled to receive in the future arising as a result of or otherwise in respect of any early termination of a Seller Swap, excluding only any right for Seller to receive Unpaid Amounts thereunder.

Section 17.7 Limitation on Damages. THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. FOR BREACH OF ANY

PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS HEREIN PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION, OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING WITHOUT LIMITATION THE NEGLIGENCE OF EITHER PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THIS AGREEMENT ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT, AND THE LIQUIDATED DAMAGES CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS. IN DETERMINING THE APPROPRIATE MEASURE OF DAMAGES THAT WOULD MAKE THE PARTIES WHOLE, THE PARTIES HAVE THOROUGHLY CONSIDERED, INTER ALIA, THE UNCERTAINTY OF FLUCTUATIONS IN COMMODITY PRICES, THE ABILITY AND INTENTION OF THE PARTIES TO HEDGE SUCH FLUCTUATIONS, THE BARGAINED-FOR ALLOCATION OF RISK, THE KNOWLEDGE, SOPHISTICATION AND EQUAL BARGAINING POWER OF THE PARTIES, THE ARMS-LENGTH NATURE OF THE NEGOTIATIONS, THE SPECIAL CIRCUMSTANCES OF THIS TRANSACTION, THE ACCOUNTING AND TAX TREATMENT OF THE TRANSACTION BY THE PARTIES, AND THE ENTERING INTO OF OTHER TRANSACTIONS IN RELIANCE ON THE ENFORCEABILITY OF THE LIQUIDATED DAMAGES PROVISIONS CONTAINED HEREIN. THE PARTIES ACKNOWLEDGE THAT THIS IS A SALE OF GOODS SUBJECT TO ARTICLE 2 OF THE NEW YORK UNIFORM COMMERCIAL CODE, INCLUDING WITHOUT LIMITATION, §§ 2-706(6), 2-711, 2-718, AND 2-719.

Section 17.8 Option to Purchase Bonds. In connection with any new Interest Rate Period established under the Bond Indenture after the initial Interest Rate Period, Seller shall have the option to purchase Bonds to be remarketed on the relevant Mandatory Purchase Date by delivering written notice to Buyer and the Trustee no later than the last Business Day of the Reset Period that Seller will purchase a quantity of Bonds necessary to avoid the occurrence of a Failed Remarketing. In the event that Seller exercises such option, (x) Seller shall be obligated to pay the purchase price of such Bonds in immediately available funds on the Mandatory Purchase Date, and (y) to the extent any CSC Remarketing Elections are in effect with respect to the Reset Period commencing immediately prior to such Interest Rate Period, then Seller shall be required to remarket the Contract Quantities associated with such CSC Remarketing Elections, provided that:

(a) Seller shall be entitled to purchase such Commodities for its own account,

(b) for all such Commodities, regardless of how it is remarketed, Seller shall pay Buyer the amount determined pursuant to Section 5(d)(i) of Exhibit C, and

(c) to the extent that it is determined that interest on the Bonds purchased by Seller is not excluded from gross income for federal income tax purposes, Section 7 through Section 10 of Exhibit C shall not apply to any such remarketing.

Section 17.9 Termination Payment Adjustment Schedule. Seller shall prepare revisions to the then-current Exhibit D-2 (Termination Payment Adjustment Schedule) in connection with each successive Interest Rate Period pursuant to the terms of the Re-Pricing Agreement by delivering a revised Exhibit D-2 to Buyer no later than the last day of the applicable Reset Period, in which case such amendments will be effective as of the first day of the next Interest Rate Period.

ARTICLE XVIII.
RECEIVABLES PURCHASES

In accordance with the provisions of Exhibit E, Seller has the obligation to purchase Put Receivables (as defined in Exhibit E) and the option to purchase Call Receivables (as defined in Exhibit E). The Parties acknowledge and agree that (a) any Call Receivables purchased by Seller under Exhibit E shall be re-purchased by J. Aron from Seller to the extent the conditions set forth in Exhibit C of the Commodity Sale and Service Agreement are satisfied; and (b) the purchase of any Put Receivables by Seller will be funded solely from amounts available under the SPE Master Custodial Agreement for such purpose.

ARTICLE XIX.
MISCELLANEOUS

Section 19.1 Indemnification Procedure. With respect to each indemnification included in this Agreement, the indemnity is given to the fullest extent permitted by applicable Law and the following provisions shall be applicable. The indemnified Party shall promptly notify the indemnifying Party in writing of any Claim and the indemnifying Party shall have the right to assume its investigation and defense, including employment of counsel, and shall be obligated to pay related court costs, attorneys' fees and experts' fees and to post any appeals bonds; *provided*, however, that the indemnified Party shall have the right to employ at its expense separate counsel and participate in the defense of any Claim. The indemnifying Party shall not be liable for any settlement of a Claim without its express written consent thereto. In order to prevent double recovery, the indemnified Party shall reimburse the indemnifying Party for payments or costs incurred in respect of an indemnity with the proceeds of any judgment, insurance, bond, surety or other recovery made by the indemnified Party with respect to a covered event.

Section 19.2 Deliveries. No later than delivery of the Prepayment, Buyer will deliver to Seller a copy of the Bond Indenture. The following documents shall be executed and delivered by the Parties contemporaneously with the execution of this Agreement (unless otherwise specified):

(a) by Seller no later than the date of issuance of the Bonds, a copy of the Funding Agreement;

(b) by Buyer, a certificate of the Secretary or Deputy Secretary of Buyer setting forth (i) the resolutions of its governing body with respect to the authorization of Buyer to execute and deliver this Agreement, the Bond Indenture and the Commodity Supply Contract, (ii) the appropriate individuals who are authorized to sign such agreements, (iii) specimen signatures of such authorized individuals, and (iv) the organization documents of Buyer, certified as being true and complete; and

(c) by Seller, evidence reasonably satisfactory to Buyer of (i) Seller's authority to execute and deliver this Agreement and (ii) the appropriate individuals who are authorized to sign this Agreement.

Section 19.3 Entirety; Amendments.

(a) This Agreement and the Re-Pricing Agreement, including the exhibits and attachments hereto and thereto, constitutes the entire agreement between the Parties and supersedes all prior discussions and agreements between the Parties with respect to the subject matter hereof. There are no prior or contemporaneous agreements or representations affecting the same subject matter other than those expressed herein and the Re-Pricing Agreement. Except for any matters that, in accordance with the express provisions of this Agreement, may be resolved by oral agreement between the Parties, no amendment, modification, supplement or change hereto shall be enforceable unless reduced to writing and executed by both Parties.

(b) If a Ledger Event occurs, then Buyer and Seller may, upon mutual agreement in each Party's sole discretion, amend this Agreement to reduce the Contract Quantity for one or more subsequent Months and to obligate Seller to pay the Trustee for the account of Buyer, an amount sufficient, together with other funds available under the terms of the Bond Indenture for such purpose, to pay the redemption price of such Bonds to be redeemed due on such redemption date therefor and any settlement payable by Buyer due to the corresponding amendment to the Buyer Swap, and Buyer and Seller may simultaneously amend Exhibit D to reduce the Termination Payment for one or more such Months, but in each case only if Buyer and Seller have delivered to the Trustee:

(i) An executed counterpart of such amendment;

(ii) An executed counterpart of an amendment to the Commodity Supply Contract reducing the Contract Quantity to be sold and delivered thereunder in the same Months by the same quantities;

(iii) An executed counterpart of an amendment to the Buyer Swap reducing the notional amounts thereunder for the same Months by the same quantities;

(iv) A revised Schedule I and, if necessary, Schedule II to the Bond Indenture and any applicable notices required by the Bond Indenture in connection with any related partial redemption;

(v) An Accountant's Certificate (as defined in the Bond Indenture) to the effect that each of (A) the scheduled Termination Payments for this Agreement for each Month thereafter is equal to or exceeds the aggregate principal amount of and interest on the Bonds scheduled to remain outstanding at the beginning of such Month, assuming that the Bonds are redeemed in accordance with the Bond Indenture, less the scheduled balance of the Debt Service Fund (as defined in the Bond Indenture) at the end of such Month and (B) the expected cashflow to the Trust Estate (as defined in the Bond Indenture) is sufficient to meet the ongoing debt service for the Bonds scheduled to remain outstanding; and

(vi) A Rating Confirmation (as defined in the Bond Indenture) in respect of such amendments and redemption.

Section 19.4 Governing Law. THIS AGREEMENT AND THE RIGHTS AND DUTIES OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED, ENFORCED AND PERFORMED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO ANY CONFLICTS OF LAW PRINCIPLE THAT WOULD DIRECT THE APPLICATION OF ANOTHER JURISDICTION'S LAW; *PROVIDED*, HOWEVER, THAT THE AUTHORITY OF BUYER TO ENTER INTO AND PERFORM ITS OBLIGATIONS UNDER THIS AGREEMENT SHALL BE DETERMINED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA.

Section 19.5 Non-Waiver. No waiver of any breach of any of the terms of this Agreement shall be effective unless such waiver is in writing and signed by the Party against whom such waiver is claimed. No waiver of any breach shall be deemed a waiver of any other subsequent breach.

Section 19.6 Severability. If any provision of this Agreement, or the application thereof, shall for any reason be invalid or unenforceable, then to the extent of such invalidity or unenforceability, the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected thereby, but rather shall be enforced to the maximum extent permissible under applicable Law, so long as the economic and legal substance of the transactions contemplated hereby is not affected in any materially adverse manner as to either Party.

Section 19.7 Exhibits. Any and all Exhibits referenced in this Agreement are hereby incorporated herein by reference and shall be deemed to be an integral part hereof.

Section 19.8 Winding Up Arrangements. All indemnity and confidentiality obligations, audit rights, and other provisions specifically providing for survival shall survive the expiration or termination of this Agreement. The expiration or termination of this Agreement shall not relieve either Party of (a) any unfulfilled obligation or undischarged liability of such Party on the date of such termination or (b) the consequences of any breach or default of any warranty or covenant contained in this Agreement. All obligations and liabilities described in the preceding sentence of this Section 19.8, and applicable provisions of this Agreement creating or relating to such obligations and liabilities, shall survive such expiration or termination.

Section 19.9 Relationships of Parties. The Parties shall not be deemed to be in a relationship of partners or joint venturers by virtue of this Agreement, nor shall either Party be an agent, representative, trustee or fiduciary of the other, except that Seller shall act on behalf of Buyer in remarketing Commodities pursuant to Exhibit C. Neither Party shall have any authority to bind the other to any agreement. This Agreement is intended to secure and provide for the services of each Party as an independent contractor.

Section 19.10 Immunity. Buyer represents and covenants to and agrees with Seller that it is not entitled to and shall not assert the defense of sovereign immunity or governmental immunity with respect to its contractual obligations or any contractual Claims under this Agreement[, and each hereby waives any such defense of sovereign or governmental immunity for contractual obligations or claims to the full extent permitted by Law].[2]

Section 19.11 Rates and Indices.

(a) Daily Gas Reference Prices.

(i) Price Replacement Process for Gas, Fewer than Six Consecutive Gas Days. If a Daily Commodity Reference Price for Gas is not available for any Gas Day for any reason, then such Daily Commodity Reference Price for such Gas Day shall be the average of the following: (A) the applicable Daily Commodity Reference Price for the first Gas Day for which a price has been published that immediately precedes the relevant Gas Day; and (B) the applicable Daily Commodity Reference Price for the first Gas Day for which a Daily Commodity Reference Price is published that immediately follows the relevant Gas Day; *provided* that any unavailability of a Daily Commodity Reference Price lasting for six (6) or more consecutive Gas Days or arising from a permanent cessation of publication of such Daily Commodity Reference Price shall be resolved in accordance with clause (ii) or clause (iii) of this Section 19.11(a), respectively.

(ii) Price Replacement Process, Electricity or Six or More Consecutive Gas Days. If a Daily Commodity Reference Price for Electricity is not available for any Hour or a Daily Commodity Reference Price for Gas is not available for six (6) consecutive Gas Days but, either case, such Daily Commodity Reference Price has not permanently ceased to be published, then the Parties shall promptly endeavor to agree on an alternative source for determination of such Daily Commodity Reference Price for the applicable Gas Days or Hours. If such agreement is not reached by the Parties within three (3) Business Days, the Parties shall request quotations for the applicable Daily Commodity Reference Price from four (4) recognized dealers in the applicable Commodity (two (2) selected by each Party) for the period that such Daily Commodity Reference Price is expected to be unavailable. If four (4) quotations are provided as requested, the applicable Daily Commodity Reference Price for the applicable Gas Days or Hours shall be the arithmetic mean of the quotations provided by each recognized dealer after disregarding the quotations having the highest and lowest values; *provided* that, if more than one (1) quotation has the same value, then one (1) of such quotations shall be disregarded. If exactly three (3) quotations are provided, the applicable Daily Commodity Reference Price

[2] NTD: Proposed deletion of bracketed language to be discussed.

for the applicable Gas Days or Hours shall be the quotation provided by the relevant dealer that remains after disregarding the quotations having the highest and lowest values; *provided* that, if more than one (1) quotation has the same value, then the value of the two (2) quotations with the same value shall control. If fewer than three (3) quotations are provided, the Parties shall seek additional quotations until at least three (3) have been received.

(iii) Price Replacement Process for Non-Published Index. If a Daily Commodity Reference Price is not available because it has permanently ceased to be published, then the Parties shall promptly endeavor to agree on an alternative source for determination of such Daily Commodity Reference Price, which may include agreeing upon a published index or a basket of published indices ("Daily Replacement Index") from which to seek quotes for basis differentials as the replacement for the applicable Daily Commodity Reference Price. If such agreement is not reached by the Parties within three (3) Business Days, then the Daily Replacement Index shall be selected by Seller, acting reasonably. The Parties shall request quotations from four (4) recognized dealers in the applicable Commodity (two (2) selected by each Party) for a basis differential ("Daily Basis Differential") between the Daily Replacement Index and physical prices at the relevant Delivery Point for the remaining term of this Agreement. If four (4) quotations are provided as requested, the Daily Basis Differential will be the arithmetic mean of the quotations provided by each recognized dealer, after disregarding the quotations having the highest and lowest values; *provided* that, if more than one (1) quotation has the same value, then one (1) of such quotations shall be disregarded. If exactly three (3) quotations are provided, the Daily Basis Differential shall be the quotation provided by the relevant dealer that remains after disregarding the quotations having the highest and lowest values; *provided* that, if more than one (1) quotation has the same value, then the value of the two (2) quotations with the same value shall control. If fewer than three (3) quotations are provided, the Parties shall seek additional quotations until at least three (3) have been received. The applicable Daily Commodity Reference Price shall be the Daily Replacement Index plus the Daily Basis Differential calculated in accordance with the provisions of this clause (iii).

(b) Monthly Index Prices.

(i) Price Replacement Process. If a Monthly Index Price is not available for any Gas Day for any reason (but such Monthly Index Price has not permanently ceased to be published), then the Parties shall promptly endeavor to negotiate in good faith to select a suitable substitute price. If such agreement is not reached by the Parties within three (3) Business Days, the Parties shall request quotations from four (4) recognized dealers in Gas (two (2) selected by each Party). If four (4) quotations are provided as requested, the applicable Monthly Index Price for that Gas Day shall be the arithmetic mean of the quotations provided by each recognized dealer after disregarding the quotations having the highest and lowest values; *provided* that, if more than one (1) quotation has the same value, then one (1) of such quotations shall be disregarded. If exactly three (3) quotations are provided, the applicable Monthly Index Price for that Gas Day shall be the quotation provided by the relevant dealer that remains after disregarding

the quotations having the highest and lowest values; *provided* that, if more than one (1) quotation has the same value, then the value of the two (2) quotations with the same value shall control. If fewer than three (3) quotations are provided, the Parties shall seek additional quotations until at least three (3) have been received.

(ii) Price Replacement Process for Non-Published Index. If a Monthly Index Price is not available because it has permanently ceased to be published, then the Parties shall promptly endeavor to agree on an alternative source for determination of such Monthly Index Price, which may include agreeing upon a published index or a basket of published indices ("Monthly Replacement Index") from which to seek quotes for basis differentials as the replacement for the applicable Monthly Index Price. If such agreement is not reached by the Parties within three (3) Business Days, then the Monthly Replacement Index shall be selected by Seller, acting reasonably. The Parties shall request quotations from four (4) recognized dealers in Gas (two (2) selected by each Party) for a basis differential ("Monthly Basis Differential") between the Monthly Replacement Index and physical prices at the relevant Delivery Point for the remaining term of this Agreement. If four (4) quotations are provided as requested, the Monthly Basis Differential shall be the arithmetic mean of the quotations provided by each recognized dealer after disregarding the quotations having the highest and lowest values; *provided* that, if more than one (1) quotation has the same value, then one (1) of such quotations shall be disregarded. If exactly three (3) quotations are provided, the Monthly Basis Differential shall be the quotation provided by the relevant dealer that remains after disregarding the quotations having the highest and lowest values; *provided* that, if more than one (1) quotation has the same value, then the value of the two (2) quotations with the same value shall control. If fewer than three (3) quotations are provided, the Parties shall seek additional quotations until at least three (3) have been received. The applicable Monthly Index Price shall be the Monthly Replacement Index plus the Monthly Basis Differential calculated in accordance with the provisions of this clause (ii).

(c) Corrections. If a value published for any rate or index used or to be used in this Agreement is subsequently corrected and the correction is published or announced by the Person responsible for that publication or announcement within thirty (30) days after the original publication or announcement, either Party may notify the other Party of (i) that correction and (ii) the amount (if any) that is payable as a result of that correction. If, not later than thirty (30) days after publication or announcement of that correction, a Party gives notice that an amount is so payable, the Party that originally either received or retained such amount shall, not later than three (3) Business Days after the effectiveness of that notice, pay, subject to any other applicable provisions of this Agreement, to the other Party that amount, together with interest on that amount at the Default Rate for the period from and including the day on which a payment originally was (or was not) made to but excluding the day of payment of the refund or payment resulting from that correction.

Section 19.12 Limitation of Liability. Notwithstanding anything to the contrary herein, all obligations of Buyer under this Agreement, including without limitation all obligations to make payments of any kind whatsoever, are special, limited obligations of Buyer, payable solely from the Trust Estate (as such term is defined in the Bond Indenture) as and to the extent provided

in the Bond Indenture, including with respect to Operating Expenses (as such term is defined in the Bond Indenture). Buyer shall not be required to advance any moneys derived from any source other than the Revenues (as such term is defined in the Bond Indenture) and other assets pledged under the Bond Indenture for any of the purposes in this Agreement mentioned. Neither the faith and credit of Buyer nor the taxing power of the State of California or any political subdivision thereof is pledged to payments pursuant to this Agreement. Buyer shall not be directly, indirectly, contingently or otherwise liable for any costs, expenses, losses, damages, claims or actions, of any conceivable kind on any conceivable theory, under or by reasons of or in connection with this Agreement, except solely to the extent Revenues (as such term is defined in the Bond Indenture) are received for the payment thereof and may be applied therefor pursuant to the terms of the Bond Indenture.

Section 19.13 Counterparts. This Agreement may be executed and acknowledged in multiple counterparts and by the Parties in separate counterparts, each of which shall be an original and all of which shall be and constitute one and the same instrument.

Section 19.14 Modification of and Compliance with Bond Indenture. Buyer agrees and covenants that, as long as this Agreement is in effect, it shall not amend or consent to the amendment of any provision of the Bond Indenture (including without limitation Article V of the Bond Indenture), or fail to comply with any covenant applying to Buyer thereunder, that would, in any such case, be reasonably likely to have a material adverse impact on Seller, J. Aron, the effectiveness of this Agreement or the transactions contemplated by this Agreement without the prior written consent of Seller, such consent not to be unreasonably withheld.

Section 19.15 Rights of Trustee. Pursuant to the terms of the Bond Indenture, Buyer has irrevocably appointed the Trustee as its agent to issue notices (including Remarketing Notices) and as directed under the Bond Indenture, to take any other actions that Buyer is required or permitted to take under this Agreement. Seller may rely on notices or other actions taken by Buyer or the Trustee and Seller has the right to exclusively rely on any notices delivered by the Trustee, regardless of any conflicting notices that it may receive from Buyer.

Section 19.16 Waiver of Defenses. Seller waives all rights to set-off, counterclaim, recoupment and any other defenses that might otherwise be available to Seller with regard to Seller's obligations pursuant to the terms of this Agreement.

Section 19.17 Rate Changes.

(a) Absent the agreement of the Parties to the proposed change, the standard of review for changes to any rate, charge, classification, term or condition of this Agreement, whether proposed by a Party (to the extent that any waiver in Section 19.17(b) below is unenforceable or ineffective as to such Party), a non-party or FERC acting *sua sponte*, shall solely be the "public interest" application of the "just and reasonable" standard of review set forth in United Gas Pipe Line Co. v. Mobile Gas Service Corp., 350 U.S. 332 (1956) and Federal Power Commission v. Sierra Pacific Power Co., 350 U.S. 348 (1956) and clarified by Morgan Stanley Capital Group Inc. v. Public Util. Dist. No. 1 of Snohomish, 554 U.S. 527 (2008).

(b) In addition, and notwithstanding Section 19.17(a), to the fullest extent permitted by applicable Law, each Party, for itself and its successors and assigns, hereby expressly and irrevocably waives any rights it can or may have, now or in the future, whether under Section 205 and/or 206 of the Federal Power Act or otherwise, to seek to obtain from FERC by any means, directly or indirectly (through complaint, investigation or otherwise), and each hereby covenants and agrees not at any time to seek to so obtain, an order from FERC changing any section of this Agreement specifying the rate, charge, classification, or other term or condition agreed to by the Parties, it being the express intent of the Parties that, to the fullest extent permitted by applicable Law, neither Party shall unilaterally seek to obtain from FERC any relief changing the rate, charge, classification, or other term or condition of this Agreement, notwithstanding any subsequent changes in applicable Law or market conditions that may occur. In the event it were to be determined that applicable Law precludes the Parties from waiving their rights to seek changes from FERC to their market-based power sales contracts (including entering into covenants not to do so) then this Section 19.17(b) shall not apply, *provided* that, consistent with Section 19.17(a), neither Party shall seek any such changes except solely under the "public interest" application of the "just and reasonable" standard of review and otherwise as set forth in Section 19.17(a).

Section 19.18 U.S. Resolution Stay Provisions. [Seller and Buyer hereby confirm that they are adherents to the ISDA 2018 U.S. Resolution Stay Protocol ("ISDA U.S. Stay Protocol"), the terms of the ISDA U.S. Stay Protocol are incorporated into and form a part of this Agreement, and for the purposes of such incorporation, (i) Seller shall be deemed to be a Regulated Entity, (ii) Buyer shall be deemed to be an Adhering Party, and (iii) this Agreement shall be deemed a Protocol Covered Agreement. In the event of any inconsistencies between this Agreement and the ISDA U.S. Stay Protocol, the ISDA U.S. Stay Protocol will prevail.][3]

IN WITNESS WHEREOF, the Parties have caused this Prepaid Commodity Sales Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

[Separate Signature Page(s) Attached]

[3].

ARON ENERGY PREPAY 48 LLC

By: _____
Name: _____
Title: _____

CENTRAL VALLEY ENERGY AUTHORITY

By: _____
Name: _____
Title: _____

EXHIBIT A

DELIVERY POINTS; CONTRACT QUANTITIES

[To be attached.]

EXHIBIT B

NOTICES

IF TO SELLER:	Aron Energy Prepay 48 LLC c/o J. Aron & Company LLC 609 Main Street, Suite 2100 Houston, Texas 77002 Email: gs-prepay-notices@gs.com
Trading:	Timothy Capuano Telephone: (212) 357-2542 gs-prepay-notices@gs.com
Scheduling:	Email: ficc-jaron-natgasops@ny.email.gs.com Direct Phone: 212.902.8148 Fax: 212.493.9847 Carly Norlander ICE Chat: cnorlander1 Email: ficc-jaron-natgasops@ny.email.gs.com Direct Phone: 403.233.9299 Fax: 212.493.9847
Payments/Invoicing:	Lindsey McInally Telephone: (212) 855-0880 ficc-struct-sett@gs.com
General Notices:	Andres E. Aguila Telephone: (212) 855-6008 Fax: (212) 291-2124 andres.aguila@gs.com
IF TO BUYER:	Central Valley Energy Authority [_____] [_____] [_____]
Gas Related:	[_____] [_____] [_____] [_____]
Power Related:	[_____] [_____] [_____] [_____]
Invoicing/Payments:	[_____]

[_____]
[_____]
[_____]

EXHIBIT C

COMMODITY REMARKETING

Section 1. Defined Terms. Capitalized terms used but not otherwise defined in this Exhibit shall have the meanings given to such terms in the Agreement, unless otherwise indicated. The following terms, when used in this Exhibit C and identified by the capitalization of the first letter thereof, have the respective meanings set forth below, unless the context otherwise requires:

"Code" means the Internal Revenue Code of 1986, as amended.

"Commodity Remarketing Reserve Fund" means an account established under the Bond Indenture into which Buyer shall deposit the amounts specified in Section 5(e) of this Exhibit C.

"Contract Specified Price" has the meaning specified in Exhibit A for each Delivery Point, which Contract Specified Price shall be (x) the Contract Index Price for each Gas Delivery Point and (y) the Day-Ahead Market Price for each Electricity Delivery Point unless the Project Participant assigns a power purchase agreement consistent with Exhibit H to the Commodity Supply Contract.

"Daily Remarketing Notice" has the meaning specified in Section 3(c) of this Exhibit C.

"Deemed Remarketing Notice" has the meaning specified in Section 3(d) of this Exhibit C.

"Expired Non-Private Business Sales Ledger" has the meaning specified in Section 9(a) of this Exhibit C.

"Expired Private Business Sales Ledger" has the meaning specified in Section 9(a) of this Exhibit C.

"Initial Remarketing" has the meaning specified in Section 5 of this Exhibit C.

"Ledger Entry" has the meaning specified in Section 7(d) of this Exhibit C.

"Ledger Event" has the meaning specified in Section 9(c) of this Exhibit C.

"Minimum Remarketing Sales Price" is an amount determined for Gas or Electricity (as applicable) by the following formula:

MRSP = RRPP - (RRPP x (RRF/CLB))

Where:

MRSP = The Minimum Remarketing Sales Price for one MMBtu of Gas or one MWh of Electricity

RRPP = The Remediation Remarketing Purchase Price for one MMBtu of Gas or one MWh of Electricity

RRF = The balance of the Commodity Remarketing Reserve Fund

CLB = The combined cash balance of the Non-Private Business Sales Ledger and the Private Business Sales Ledger

"Monthly Discount Percentage" has the meaning specified in the Commodity Supply Contract.

"Monthly Remarketing Notice" has the meaning specified in Section 3(b) of this Exhibit C.

"Municipal Utility" means any Person that (i) is a "governmental person" as defined in Treasury Regulation Section 1.141-1(b), and (ii) owns either or both a Gas distribution utility or an electric distribution utility (or provides Gas or Electricity at wholesale to entities described in clause (i) that own such utilities). Buyer may from time to time revise the definition of "Municipal Utility" to conform to the applicable provisions of the Code or Treasury Regulations by delivery of written notice to Seller setting forth the revised definition together with a Tax Opinion.

"Net Participant Price" means the Contract Price (as defined in the Commodity Supply Contract).

"Non-Private Business Remarketing Proceeds" means all proceeds received by Buyer under Section 5(c) of this Exhibit C from Seller's remarketing of Commodities in any Non-Private Business Sale.

"Non-Private Business Sale" means a sale (other than a Qualified Sale) of Commodities to a "governmental person" as defined in Treasury Regulation Section 1.141-1(b) that in each case agrees in writing to not use any part of such Commodities for a Private Business Use.

"Non-Private Business Sales Ledger" has the meaning specified in Section 7(a) of this Exhibit C.

"Non-Qualifying Remarketing Limit" means (a) during the Gas Delivery Period, a quantity of Gas, in MMBtu, equal to 10% of the total quantity of Gas, in MMBtu, to be delivered hereunder (calculated assuming the Switch Date never occurs), and (b) during the Electricity Delivery Period, a quantity of Electricity, in MWh, equal to 10% of the total quantity of Electricity, in MWh, to be delivered hereunder (calculated assuming the Switch Date occurs on the first day of the Delivery Period), in each case as such Non-Qualifying Remarketing Limit may be increased from time to time upon receipt by Buyer and Seller of a Tax Opinion setting forth a higher Non-Qualifying Remarketing Limit.

"Private Business Remarketing Limit" means (a) during the Gas Delivery Period, a quantity of Gas, in MMBtu, equal to (i) $15,000,000, divided by (ii) the Specified Fixed Price, and (b) during the Electricity Delivery Period, a quantity of Electricity equal to (i) $15,000,000, divided by (ii) the Specified Fixed Price, in each case as such Private Business Remarketing Limit may be increased from time to time upon receipt by Buyer and Seller of a Tax Opinion setting forth a higher Private Business Remarketing Limit.

"Private Business Remarketing Proceeds" means all proceeds received by Buyer under Section 5(d) of this Exhibit C from Seller's remarketing of Commodities in any Private Business Sale (including the purchase of such Commodities by Seller for its own account).

"Private Business Sale" means any sale of Commodities other than in a Non-Private Business Sale or a Qualified Sale.

"Private Business Sales Ledger" has the meaning specified in Section 7(b) of this Exhibit C.

"Private Business Use" has the meaning ascribed to such term in Section 141 of the Code.

"Qualified Sale" means the sale of Commodities to a Municipal Utility that agrees in writing (i) to use all of such Commodities for a Qualifying Use that is not a Private Business Use and (ii) not to count any purchase of such Commodities towards any remediation obligations such Municipal Utility may have with respect to proceeds received from the sale of property purchased with tax-exempt financing proceeds.

"Qualifying Use" with respect to Commodities has the meaning ascribed to such term in Treasury Regulations Section 1.148-1(e)(2)(iii)(A)(2) or (B)(2), as applicable.

"Remarketing Fee" means the amount specified in Exhibit F.

"Remarketing Notice" means either a Daily Remarketing Notice or a Monthly Remarketing Notice but shall not include a Deemed Remarketing Notice.

"Remediation Remarketing" means the remarketing of Commodities in Qualified Sales by Seller pursuant to Section 8 of this Exhibit C in an effort to reduce to zero (0) any Ledger Entry balances in either the Non-Private Business Sales Ledger or the Private Business Sales Ledger.

"Remediation Remarketing Purchase Price" has the meaning specified in Section 8(c)(ii) of this Exhibit C.

"Tax Opinion" means an Opinion of Special Tax Counsel (as defined in the Bond Indenture) to the effect that an action proposed to be taken will not, in and of itself, cause interest on the applicable Bonds to be included in gross income for purposes of federal income taxation .

"Treasury Regulations" means the U.S. Treasury Regulations under the Code.

"Unit" means (a) with respect to Gas, an MMBtu, and (b) with respect to Electricity, a MWh.

Section 2. Buyer's Right and Obligation to Request Remarketing. Buyer may, and, if required to do so under the Bond Indenture or Article VII of the Agreement shall, request Seller to remarket, pursuant to this Exhibit C, all or a specified part of the Contract Quantities for any Delivery Point.

Section 3. Remarketing Notice.

(a) Generally. To request remarketing under this Exhibit C, Buyer must issue a Remarketing Notice substantially in the form Attachment 3 to Exhibit G-1 or Attachment 2 to Exhibit G-2 to the Agreement, as applicable, which Remarketing Notice must state (i) the portion of the Contract Quantity to be remarketed from each relevant Delivery Point, and (ii) either (A) during the Gas Delivery Period, the Gas Day or Gas Days in which such portion of the Contract Quantity is to be remarketed, or (B) during the Electricity Delivery Period, the Delivery Hours in which such portion of the Contract Quantity is to be remarketed.

(b) Monthly Remarketing Notice. During the Electricity Delivery Period, Buyer may designate a Remarketing Notice as a "Monthly Remarketing Notice" if the Remarketing Notice is delivered to Seller not later than three (3) Business Days prior to the start of the first Month in which it applies and applies to a period of one (1) Month or more. During the Gas Delivery Period, Buyer may designate a Remarketing Notice as a "Monthly Remarketing Notice" if the Remarketing Notice:

(i) applies to one (1) or more full Months;

(ii) specifies an equal quantity of Gas to be remarketed from each relevant Delivery Point on each Gas Day in each relevant Month; and

(iii) either (A) is delivered to Seller not later than three (3) Business Days prior to the last day of exchange trading for Henry Hub Natural Gas Futures Contracts on the New York Mercantile Exchange (or any successor thereto) for deliveries in the first Month to which such Remarketing Notice applies or (B) with respect to any Month for which Buyer is suspending or terminating Gas deliveries to Project Participant in accordance with the provisions of the Commodity Supply Contract, is delivered to Seller not later than three (3) Business Days prior to the first Month to which such Remarketing Notice applies.

(c) Daily Remarketing Notice. During the Electricity Delivery Period, Buyer may designate a Remarketing Notice as a "Daily Remarketing Notice" if the Remarketing Notice is delivered to Seller not later than three (3) Business Days prior to the Business Day in which it applies. During the Gas Delivery Period, Buyer may designate a Remarketing Notice as a "Daily Remarketing Notice" if the Remarketing Notice:

(i) is delivered to Seller not later than 8:30 am CPT two (2) Business Days prior to nominations leaving control of the nominating Party for the first timely nomination cycle for the Transporter for the Gas Day and at the Delivery Point where such Gas was originally intended to be delivered; *provided*, however, if a Transporter modifies its nomination process, Seller may propose to modify the preceding deadline, subject to Buyer's consent, which consent shall not be unreasonably withheld; and

(ii) specifies an equal quantity of Gas to be remarketed on Gas Days covering a weekend or any other set of Gas Days that is generally scheduled as a block in the Gas industry. For the avoidance of doubt, Buyer may only issue a single Remarketing Notice for any such set of Gas Days covering the weekend or other relevant block of Gas Days.

(d) Deemed Remarketing Notice. Any other notice to remarket Commodities given by Buyer (or deemed to be given by Buyer pursuant to Section 4.2 of the Agreement) will be a "Deemed Remarketing Notice."

Section 4. Seller's Remarketing Obligations Generally.

(a) All Commodities remarketed by Seller pursuant to this Exhibit C shall be for the benefit of Buyer, meaning all remarketed Commodities shall first be sold by Seller to Buyer and then resold by or for the account of Buyer pursuant to the terms and provisions of this Exhibit C.

(b) Seller may act directly as principal to the remarketing buyer or may cause a supplier to Seller to act directly as principal to the remarketing buyer. Neither Seller nor any Person acting on Seller's behalf shall owe any fiduciary duties to Buyer with respect to the remarketing of any Commodities. Buyer acknowledges and agrees that Seller or a Person acting on Seller's behalf in remarketing Commodities may have other supplies of Commodities available to sell to potential remarketing buyers, and Commodities designated for remarketing shall not be entitled to any preference over any such other supplies of Commodities.

(c) Seller shall prepare, maintain and provide Monthly to Buyer accurate and complete records showing (i) the identity of each purchaser in a Qualified Sale, a Non-Private Business Sale, or a Private Business Sale undertaken by Seller on Buyer's behalf, (ii) the aggregate amount of Commodities remarketed under this Agreement in Qualified Sales, (iii) the aggregate amount of Commodities remarketed under this Agreement in Non-Private Business Sales, and (iv) the aggregate amount of Commodities remarketed under this Agreement in Private Business Sales.

(d) Any amounts due to Buyer for Commodities remarketed by Seller or purchased by Seller under this Exhibit C shall be remitted to Buyer pursuant to Section 14.2 of the Agreement in the Month following the Month in which such Commodities is remarketed or purchased, as applicable.

Section 5. Initial Remarketing. The following provisions shall apply to the initial remarketing of any Commodities to be remarketed by Seller pursuant to a Remarketing Notice (an "Initial Remarketing"):

(a) Seller shall use Commercially Reasonable Efforts to remarket or cause to be remarketed all Commodities specified for Initial Remarketing. In exercising such Commercially Reasonable Efforts, Seller shall first attempt to remarket or cause to be remarketed all Commodities specified in a Remarketing Notice in Qualified Sales and then, if Seller is unable to so remarket all of such Commodities for such purposes, in Non-Private Business Sales. If Seller is unable to remarket all or any portion of the Commodities designated in a Remarketing Notice, then Seller shall purchase such Commodities for its own account at the prices set forth in Section 5(d) of this Exhibit C as if such Commodities had been remarketed to it.

(b) Seller shall not be required to remarket any Commodities in an Initial Remarketing at a net price to Seller (after deducting all transportation costs and all other costs)

that is anticipated to be less than the amount that Seller is required to remit to Buyer pursuant to the terms hereof.

(c) Proceeds from Qualified Sales and Non-Private Business Sales.

(i) For any Commodities specified in a Monthly Remarketing Notice that Seller remarkets in a Qualified Sale or Non-Private Business Sale, Seller shall deliver to Buyer the actual proceeds less the Remarketing Fee per Unit sold, *provided* that the aggregate amount delivered by Seller under this clause (i) for any Month shall not be less than the aggregate quantity so remarketed during such Month multiplied by the Net Participant Price.

(ii) For any Commodities specified in a Daily Remarketing Notice that Seller remarkets in a Qualified Sale or Non-Private Business Sale, Seller shall deliver to Buyer the actual proceeds received with respect to such Commodities less the Remarketing Fee per Unit sold *provided* that the aggregate amount delivered by Seller under this clause (ii) for any such Commodities shall not be less than the aggregate amount that would have been paid to Buyer under Section 5(d)(ii) of this Exhibit C (with respect to Commodities specified in a Daily Remarketing Notice) or Section 6 (with respect to Deemed Remarketing), in each case less the product of Monthly Discount per Unit.

(iii) In the event the payment due date under a Qualified Sale or Non-Private Business Sale has not yet occurred prior to the date upon which payment is due under this Agreement for the applicable Month, the Parties shall nonetheless issue statements as if the full amount from such Qualified Sale or Non-Private Business Sale had been paid and, if such full payment is not received prior to the next Monthly due date under this Agreement, the Parties shall issue the appropriate statements to reflect the actual proceeds received and true-up any difference.

(d) Proceeds from Private Business Sales.

(i) For any Commodities specified in a Monthly Remarketing Notice that are not remarketed in a Qualified Sale or Non-Private Business Sale, Seller shall pay to Buyer the positive result determined by the following formula with respect to each Delivery Point to which such Monthly Remarketing Notice applied:

$$P = Q \times (IP - RF)$$

Where:

P = The amount payable by Seller under this Section 5(d)(i)

Q = The quantity of such Commodities remarketed with respect to such Delivery Point

IP = Either (A) during the Gas Delivery Period, the Contract Index Price for such Delivery Point, or (B) during the Electricity Delivery Period, the Day-Ahead Market Price for such Delivery Point.

RF = The Remarketing Fee

(ii) For any Commodities specified in a Daily Remarketing Notice that are not remarketed in a Qualified Sale or Non-Private Business Sale, Seller shall pay to Buyer the positive result determined by the following formula with respect to each Delivery Point to which such Daily Remarketing Notice applied:

P = Q x (IPL - RF)

Where:

P = The amount payable by Seller under this Section 5(d)(ii)

Q = The quantity of such Commodities remarketed with respect to such Delivery Point

IPL = Either (A) during the Gas Delivery Period, the Index Price (Low) for such Delivery Point for the Delivery Point, or (B) during the Electricity Delivery Period, the Real-Time Market Price for such Delivery Point

RF = The Remarketing Fee

(e) Any proceeds received by Buyer under this Section 5 for Commodities remarketed in sales other than Qualified Sales that exceed the amount Buyer would have received for the same quantity of Commodities at the Net Participant Price shall be deposited in the Commodity Remarketing Reserve Fund.

Section 6. Deemed Remarketing. For any Commodities specified or deemed to be specified in a Deemed Remarketing Notice, Seller shall pay to Buyer the positive result determined by the following formula with respect to each Delivery Point to which such Deemed Remarketing Notice applied:

P = Q x (IPL - RF - AF)

Where:

P = The amount payable by Seller under this Section 6

Q = The quantity of such Commodities remarketed with respect to such Delivery Point

IPL = Either:

(A) during the Gas Delivery Period, the lower of (x) the Index Price (Low) for the Gas Day following the Gas Day to which such Deemed Remarketing Notice applies, and (y) the Contract Index Price for the applicable Month in which such Deemed Remarketing Notice applies, or

(B) during the Electricity Delivery Period, the price at which Seller, acting in a Commercially Reasonable manner, resells at the Delivery Point any Electricity not received by Buyer, deducting from such proceeds any (i) costs reasonably incurred by Seller in reselling such Electricity and (ii) additional transmission charges, if any, reasonably incurred by Seller in delivering such Electricity to the third party purchasers, or at Seller's option, the market price at the Delivery Point for such Electricity not received as determined by Seller in a Commercially Reasonable manner; *provided*, however, in no event shall such price include any penalties, ratcheted demand or similar charges, nor shall Seller be required to utilize or change its utilization of its owned or controlled assets, including contractual assets, or market positions to minimize Buyer's liability. For purposes of the foregoing, Seller shall be considered to have resold such Electricity to the extent Seller shall have entered into one or more arrangements in a Commercially Reasonable manner whereby Seller repurchases its obligation to purchase and receive Electricity from another party at the Delivery Point

RF = The Remarketing Fee

AF = The Administrative Fee, *provided* that the Administrative Fee shall not apply during the Electricity Delivery Period unless such Deemed Remarketing Notice results from Buyer's failure to Schedule pursuant to Section 4.2 of the Agreement

Section 7. Tracking Remarketing Proceeds. Seller shall maintain four (4) separate ledgers related to remarketing proceeds as described below:

(a) One (1) ledger (the "Non-Private Business Sales Ledger") shall include, (A) as dollar credits, the Non-Private Business Remarketing Proceeds, and (B) as a Unit credit, the Units of Commodities corresponding to such Non-Private Business Remarketing Proceeds.

(b) Another ledger (the "Private Business Sales Ledger") shall include, (A) as dollar credits, Private Business Remarketing Proceeds, and (B) as a Unit credit, the Units of Commodities corresponding to such Private Business Remarketing Proceeds.

(c) The other two (2) ledgers shall be maintained as described in Section 9(a) of this Exhibit C.

(d) The credits to be recorded in the ledgers described in Section 7(a) and (b) of this Exhibit C (collectively, the "Ledger Entries") shall be dated as of the first day of the Month prior to the Month in which Buyer or Project Participant receives the proceeds corresponding to such Ledger Entries.

(e) The four (4) ledgers described in Section 7 of this Exhibit C and all debits and credits to such ledgers shall be kept on an aggregate basis for purposes of this Exhibit C.

(f) Buyer shall provide to Seller all reports provided by the Project Participant pursuant to Section 7.6 of the applicable Commodity Supply Contract. To the extent set forth in Section 7.6(a) of the applicable Commodity Supply Contract, Seller will add "Disqualified Sale Proceeds" to the appropriate ledgers described above.

Section 8. Remediation Remarketing and Bond Redemptions.

(a) At any time that the net Ledger Entry balance of either the Non-Private Business Sales Ledger or the Private Business Sales Ledger is greater than zero (0):

(b) Buyer shall exercise Commercially Reasonable Efforts to utilize the proceeds represented by the dollar balances of such Ledger Entries to purchase Commodities for resale in Qualified Sales and shall promptly notify Seller following such purchase and sale.

(c) Seller shall exercise Commercially Reasonable Efforts to locate opportunities for Buyer to purchase Commodities to sell in Qualified Sales to remediate the proceeds represented by the dollar balances of the Ledger Entries. In this regard, if Seller locates a Remediation Remarketing opportunity, then

(i) Seller shall notify Buyer of such opportunity;

(ii) Buyer shall, upon receipt of such notice, purchase Commodities from Seller at a price determined by Seller in a Commercially Reasonable manner based upon applicable market prices at the location where the remarketing opportunity sale will occur (the "Remediation Remarketing Purchase Price");

(iii) Seller shall remarket such Commodities on Buyer's behalf in a Qualified Sale;

(iv) Seller shall remit to Buyer the proceeds collected from such Qualified Sale, but in no event shall Seller remit less than the Minimum Remarketing Sales Price for the remarketing transaction; *provided*, however, that to the extent Seller does not receive the Remediation Remarketing Purchase Price from Buyer prior to the Remediation Remarketing described herein, Seller shall credit the proceeds collected from such remarketing sale against the Remediation Remarketing Purchase Price owed to Seller, and Seller shall be reimbursed from the Commodity Remarketing Reserve Fund to the extent necessary to make Seller whole for such Qualified Sale; and

(v) Seller shall issue to Buyer a confirmation notice (including the dollar price and Units) of each purchase of Commodities by or on behalf of Buyer, and each sale of Commodities on Buyer's behalf, under this Section 8, and amounts due from or to Buyer shall be separately stated on the Billing Statement for the Month in which such remarketing transactions occur.

For the avoidance of doubt, Seller shall not sell, nor be required to sell, Commodities to Buyer for a Remediation Remarketing if such Commodities are to be remarketed by Seller on behalf of Buyer for less than the Minimum Remarketing Sales Price.

(d) Unless the terms of a Remediation Remarketing undertaken by Seller on Buyer's behalf are specifically assumed by Buyer, Seller shall indemnify Buyer for any costs or liabilities associated with such Remediation Remarketing (other than costs related to the price at which such Commodities are sold and the risk of collecting the sale proceeds from the remarketing buyer), including, without limitation, any cover or replacement costs; termination payments; fees, penalties, costs or charges (in cash or in kind) assessed by any Transporter for failure to satisfy its balance or nomination requirements; Claims for breach of warranty; taxes, fees, levies, penalties, licenses or charges imposed by any Government Agency; and Claims from personal injury or property damages.

(e) The total purchase price of any Commodities purchased by Buyer or Seller pursuant to Section 8(c) of this Exhibit C will be entered by Seller as a dollar debit on (i) first, the Private Business Sales Ledger, if and to the extent such ledger has a positive balance and such Commodities are remarketed in a Qualified Sale and (ii) second, on the Non-Private Business Sales Ledger, if and to the extent such ledger has a positive balance, the Private Business Sales Ledger has a zero (0) balance, and such Commodities are remarketed in a Qualified Sale, with such debit in the case of (i) or (ii) dated as of the last day of the Month in which such Commodities were purchased. Each dollar debit shall offset and reverse an equal amount of the dollar credits to such ledger (that have not previously been transferred to the Expired Non-Private Business Sales Ledger or the Expired Private Business Sales Ledger) in the order in which they were made (beginning with the oldest credit not previously offset and reversed by any prior debit). Whenever a debit is made to the dollar balance of the Ledger Entries of either such ledger, Seller shall also debit the Commodities balance of the Ledger Entries of such ledger based on (i) such dollar debit divided by (ii) an average Commodities price calculated from the net Ledger Entry then present on the relevant ledger being debited. For the avoidance of doubt, neither the Non-Private Business Sales Ledger nor the Private Business Sales Ledger shall ever have a negative balance, and the same purchase transaction shall not result in a debit to more than one ledger except to the extent that a debit for the transaction causes one (1) ledger to have a zero (0) balance and the remaining portion of the permitted debit is made to the other ledger.

(f) In addition to the ability of Seller or Buyer to engage in Remediation Remarketing to reduce the balances of any Ledger Entries through Qualified Sales of the Commodity (either Gas or Electricity) that was originally remarketed the proceeds represented by the dollar balances of such Ledger Entries may also be remediated through the purchase of the other Commodity (either Electricity or Gas) that will be remarketed in Qualified Sales. If Seller locates an opportunity for Buyer to purchase the other Commodity for a Remediation Remarketing, the provisions of Section 8c) shall apply to such opportunity *provided* that the entry of Unit debits shall be made as follows:

(i) To the extent the Ledger Entries for Units consist of MMBtus, for any Remediation Remarketing of Electricity, a quantity of MMBtus will be debited based on (i) the total proceeds paid for such Electricity divided by (ii) an average Gas price calculated from the net Ledger Entry balance then present on the relevant ledger being debited.

(ii) To the extent the Ledger Entries for Units consist of MWhs, for any Remediation Remarketing of Gas, a quantity of MWhs will be debited based on (i) the total

proceeds paid for such Gas divided by (ii) an average Electricity price calculated from the net Ledger Entry balance then present on the relevant ledger being debited.

(g) In the event that (i) the Project Participant remediates the proceeds represented by the dollar balances of the Ledger Entries pursuant to Section 7.5 of the Commodity Supply Contract or (ii) Bonds are redeemed pursuant to the provisions of Section 7.6(c) of the Commodity Supply Contract and Section 4.3 of the Bond Indenture, the corresponding Ledger Entries then present on any ledger shall be debited.

(h) Upon the Switch Date, all Ledger Entries for Units consisting of MMBtus shall be converted to MWhs based on an average Gas price calculated from the net Ledger Entry balance then present on the relevant ledger being debited.

Section 9. Ledger Event.

(a) In addition to the Non-Private Business Sales Ledger and the Private Business Sales Ledger described in Section 7(a) and (b) of this Exhibit C, above, Seller shall also maintain an "Expired Non-Private Business Sales Ledger" and an "Expired Private Business Sales Ledger." Whenever a credit to the dollar balance of the Ledger Entries of the Non-Private Business Sales Ledger has not been reversed in full within two (2) years of such credit by an offsetting dollar debit in accordance with Section 8(c) or (d) of this Exhibit C, then Seller shall (i) debit the remaining portion of such dollar credit and the Unit balance of the Ledger Entries in the manner described in the penultimate sentence of Section 8(c) and (ii) record such debits as credits to the Expired Non-Private Business Sales Ledger. Similarly, whenever a credit to the dollar balance of the Ledger Entries of the Private Business Sales Ledger has not been reversed in full within two (2) years of such credit by an offsetting dollar debit in accordance with Section 8(c) or (d) of this Exhibit C, then Seller shall (i) debit the remaining portion of such dollar credit and the Unit balance of the Ledger Entries in the manner described in the penultimate sentence of Section 8(c) and (ii) record such debits as credits to the Expired Private Business Sales Ledger. Upon any partial redemption of Bonds pursuant to Section 19.3(b) of the Agreement and in accordance with the Bond Indenture, the dollar credits made to either the Expired Non-Private Business Sales Ledger or the Expired Private Business Sales Ledger shall be reduced (in the order of entry) by an aggregate amount corresponding to the principal amount of Bonds so redeemed, and the Unit credits to such ledgers shall be reduced by the contemporaneous Unit credits corresponding to the dollar credits so reduced.

(b) No later than the tenth (10^{th}) day of each Month, Seller shall provide to Buyer copies of the Non-Private Business Sales Ledger, the Private Business Sales Ledger, the Expired Non-Private Business Sales Ledger and the Expired Private Business Sales Ledger showing all credits and debits to each such ledger since the Execution Date, in each case if a credit has been recorded in such ledger since the Execution Date.

(c) A "Ledger Event" shall occur if, at any time, either (i) (A) the sum of all Btu credits on the Expired Non-Private Business Sales Ledger and the Expired Private Business Sales Ledger exceeds (B) the Non-Qualifying Remarketing Limit, or (ii) (A) the sum of all Btu credits on the Expired Private Business Sales Ledger exceeds (B) the Private Business Remarketing Limit.

(d) The occurrence of a Ledger Event and any remedies associated therewith in Article XVII of the Agreement shall be Buyer's sole and exclusive remedies with respect to any inability by Seller to purchase and remarket Commodities for Buyer pursuant to, or any breach by Seller of its obligations under, this Exhibit C.

Section 10. Remarketing of Contract Quantities under Gas Assignment Agreement or PPA Assignment Agreement. Notwithstanding anything to the contrary herein but subject to the immediately following sentence of this Section 10, if (a) a quantity of Commodities less than (x) the Assigned Gas Quantity as defined in a Gas Assignment Agreement or (y) the Assigned Prepay Quantity as defined in a PPA Assignment Agreement is delivered or taken hereunder in any Month during an Assignment Period for any reason other than Force Majeure, then (i) Buyer will be deemed to have requested Seller to remarket the portion of the Contract Quantity not delivered (regardless of whether a Remarketing Notice was delivered) and (ii) Seller shall sell such Commodities or cause such Commodities to be sold in a Private Business Sale at the Contract Specified Price minus the applicable Remarketing Fee. Seller shall pay Buyer for any such Month the product of (I) the portion of the Contract Quantity not delivered, multiplied by (II) the Contract Specified Price minus the applicable Remarketing Fee, and all such sales shall constitute a Private Business Sale and shall be reflected on the Private Business Sales Ledger.

Section 11. Third Party Remarketing Agent. To the extent that the net Ledger Entry balance of either a Non-Private Business Sales Ledger or a Private Business Sales Ledger is greater than zero for a period of 12 Months or longer, Seller may appoint a third party remarketing agent to remediate the outstanding Ledger Entries instead of J. Aron; provided that such third party remarketing agent must agree to (a) remediate such Ledger Entries consistent with the terms of this Exhibit C and (b) exercise Commercially Reasonable Efforts to enter into remarketing sales to the extent that Buyer, Seller or J. Aron locate opportunities for remarketing sales after such third party remarketing agent's appointment.

EXHIBIT D-1

TERMINATION PAYMENT SCHEDULE

Month of Early Termination Date	Early Termination Payment Date (If Not a Business Day, Preceding Business Day)	Termination Payment ($)

[To be attached.]

EXHIBIT D-2

TERMINATION PAYMENT ADJUSTMENT SCHEDULE

[To come for subsequent periods.]

EXHIBIT D-3

POST-TERMINATION PAYMENT SCHEDULE

[To be attached.]

EXHIBIT E

RECEIVABLES PURCHASE EXHIBIT

[To be attached.]

EXHIBIT E

RECEIVABLES PURCHASE EXHIBIT

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. Capitalized terms used but not otherwise defined in this Receivables Purchase Exhibit (this "Exhibit") shall have the meanings ascribed to such terms in the Agreement, unless otherwise indicated. The following terms, when used in this Exhibit and identified by the capitalization of the first letter thereof, have the respective meanings set forth below, unless the context otherwise requires.

"Average Daily Receivables Balance" has the meaning specified in Section 2.11.

"Bill of Sale" means a bill of sale in substantially the form attached to this Exhibit as Attachment 1 or Attachment 2 as the context requires.

"Commodity Swap Reserve Account" has the meaning specified in the Bond Indenture.

"Debt Service Reserve Account" has the meaning specified in the Bond Indenture.

"Debt Service Reserve Requirement" has the meaning specified in the Bond Indenture.

"Elective Call Identified Receivables" has the meaning specified in Section 2.3(b).

"Elective Call Option Notice" has the meaning specified in Section 2.3(b).

"Elective Call Receivables" has the meaning specified in Section 2.3(a).

"Elective Call Receivables Amount" has the meaning specified in Section 2.3(a).

"Elective Call Receivables Offer" has the meaning specified in Section 2.3(a).

"Encumbrance" means any lien, pledge, hypothecation, charge, security interest, conditional sale, right of refusal or any other adverse claim or interest having the practical effect of any of the foregoing.

"Final Maturity Date" has the meaning specified in Section 2.1(b).

"Identified Receivables" means Elective Call Identified Receivables, Swap Deficiency Call Identified Receivables or Put Identified Receivables, as applicable.

"Indemnified Person" has the meaning specified in Section 5.2(d).

"Indemnifying Person" has the meaning specified in Section 5.2(d).

"Issuer" means the Central Valley Energy Authority, a joint powers authority and public entity of the State of California.

"Minimum Amount" has the meaning specified in the Bond Indenture.

"Prepay LLC" means Aron Energy Prepay 48 LLC, a limited liability company organized under the Laws of the State of Delaware.

"Prime Rate" means the fluctuating rate per annum equal to the "Prime Rate" listed daily in the "Money Rate" section of The Wall Street Journal, or if The Wall Street Journal is not published on a particular Business Day, then, the "prime rate" published in any other national financial journal or newspaper selected by Issuer, with the written consent of the Trustee, and if more than one such rate is listed in the applicable publication, the highest rate shall be used; any change in the Prime Rate shall take effect on the date specified in the announcement of such change.

"Purchase Date" means (a) in the case of a sale pursuant to Section 2.1, the first Business Day after delivery of a Put Option Notice, (b) in the case of a sale pursuant to Section 2.2, the purchase date specified in the Swap Deficiency Call Option Notice delivered in accordance with Section 2.2(b) or (c) in the case of a sale pursuant to Section 2.3, the purchase date specified in the Elective Call Option Notice delivered in accordance with Section 2.3(b).

"Purchase Price" has the meaning specified in Section 2.5.

"Put Identified Receivables" has the meaning specified in Section 2.1(a).

"Put Option Notice" has the meaning specified in Section 2.1(a).

"Put Receivable" means, as of any date, the amount then owed by the Project Participant to Issuer under the Commodity Supply Contract between Issuer and the Project Participant (in no case to exceed $[____]), together with any right to payment of interest with respect thereto (and excluding any amounts owed by the Project Participant related to indemnities or credit support). For the avoidance of doubt, the term Put Receivable shall not include any amounts due from the Project Participant that are not part of the Trust Estate.[1]

"Put Receivables Amount" has the meaning specified in Section 2.1(a).

"Receivables" means Swap Deficiency Call Receivables, Elective Call Receivables and Put Receivables, as applicable.

"Repurchase Date" has the meaning specified in Section 3.1.

"Repurchase Notice" has the meaning specified in Section 3.1.

[1] SM NTD: Inclusion of Put Receivables remains subject to J. Aron's review and approval.

"Repurchase Price" has the meaning specified in Section 3.3.

"Swap Deficiency Call Option Notice" has the meaning specified in Section 2.2(b).

"Swap Deficiency Call Receivables" has the meaning specified in Section 2.2(a).

"Swap Deficiency Call Receivables Amount" has the meaning specified in Section 2.2(a).

"Swap Deficiency Call Receivables Offer" has the meaning specified in Section 2.2(a).

"Swap Deficiency Call Identified Receivables" has the meaning specified in Section 2.2(b).

"Swap Payment Deficiency" has the meaning specified in the Bond Indenture.

"Tax" means any federal, state, local or foreign taxes, and any profit, franchise (including without limitation those that are based on net worth, capitalization, income or total assets), sales, use, transfer, real property transfer, recording, payroll, employment, excise, withholding, social security (or similar), unemployment, disability, registration, alternative or add-on minimum, estimated, capital stock, value added, real or personal property, or other taxes, assessments, fees, levies, duties (including without limitation customs duties and similar charges), deductions or other charges of any nature whatsoever (including without limitation interest and penalties) imposed by any Law due and owing by Issuer.

"Transferee" has the meaning specified in Section 2.7.

ARTICLE II

PURCHASE OF RECEIVABLES

Section 2.1 Issuer Put Option. Issuer shall sell to Prepay LLC, and Prepay LLC shall purchase, certain Put Receivables under the following circumstances:

(a) Exercise of Put Option Upon Early Termination of the Agreement. Upon termination of the Agreement in accordance with Article XVII thereof, Issuer shall put to Prepay LLC, and Prepay LLC shall purchase, Put Receivables with a face value up to an amount (the "Put Receivables Amount") equal to the sum of the Minimum Amount (less the balance of the Commodity Swap Reserve Account) plus the Debt Service Reserve Requirement (less the balance of the Debt Service Reserve Account). Issuer shall exercise its put option by delivering notice (the "Put Option Notice") in the form of Attachment 3 to this Exhibit to Prepay LLC and the SPE Master Custodian on or before the date that is two Business Days prior to the Early Termination Payment Date. The Put Option Notice shall include a description of the Put Receivables (including aging information and face amount of the Put Receivables) to be sold to Prepay LLC (collectively, the "Put Identified Receivables").

(b) Exercise of Put Option Upon Final Maturity of Bonds. Upon the final scheduled maturity date in the Bond Indenture for the Bonds (the "Final Maturity Date"), Issuer shall put to Prepay LLC, and Prepay LLC shall purchase, Put Receivables up to a Put Receivables Amount equal to (as of the Final Maturity Date) the sum of the Minimum Amount (less the balance of the Commodity Swap Reserve Account) plus the Debt Service Reserve Requirement (less the balance of the Debt Service Reserve Account). Issuer shall exercise its put option by delivering the Put Option Notice to Prepay LLC and the SPE Master Custodian on or before two Business Days prior to the Final Maturity Date. The Put Option Notice shall include a description of the Put Identified Receivables in the manner described in Section 2.1(a).

Section 2.2 Prepay LLC Swap Deficiency Call Option. Prepay LLC shall have an option to purchase certain Swap Deficiency Call Receivables from Issuer as described in this Section 2.2. Issuer shall sell to Prepay LLC, and Prepay LLC shall purchase, certain Swap Deficiency Call Receivables under the following circumstances:

(a) If (i) the Project Participant defaults on its obligation to make any payment under the Commodity Supply Contract with Issuer and (ii) such payment default results in a Swap Payment Deficiency, then on the Business Day following the day on which such default occurs, Issuer shall deliver a written offer (a "Swap Deficiency Call Receivables Offer") in the form of Attachment 4 to this Exhibit to sell to Prepay LLC, at par, sufficient receivables ("Swap Deficiency Call Receivables") (such amount, less any undisputed amounts owed by Issuer to the Project Participant under the Commodity Supply Contract, the "Swap Deficiency Call Receivables Amount") to fund the Swap Payment Deficiency. Such Swap Deficiency Call Receivables Offer shall identify the Project Participant and include aging information and the face amount of the corresponding Swap Deficiency Call Receivables.

(b) No later than the Business Day following Prepay LLC's receipt of a Swap Deficiency Call Receivables Offer, Prepay LLC may, but shall be under no obligation to, elect to purchase the Swap Deficiency Call Receivables referenced in the Swap Deficiency Call Receivables Offer by delivering a written notice (a "Swap Deficiency Call Option Notice") in the form of Attachment 5 to this Exhibit to Issuer and the Trustee of Prepay LLC's intent to purchase such Swap Deficiency Call Receivables (collectively, the "Swap Deficiency Call Identified Receivables"). The Swap Deficiency Call Option Notice will specify a Purchase Date that will be no later than the Payment Date (as defined in the Confirmation to the Buyer Swap) for the month in which Prepay LLC receives the Swap Deficiency Call Receivables Offer. If Prepay LLC does not deliver a Swap Deficiency Call Option Notice to Issuer and the Trustee on or before the Business Day following Prepay LLC's receipt of a Swap Deficiency Call Receivables Offer, Prepay LLC will be deemed to have elected not to purchase the referenced Swap Deficiency Call Receivables.

(c) In accordance with the Seller Swap Custodial Agreements and the Bond Indenture, the Trustee shall, not later than the dates set forth below, deliver to the Custodian written notice as follows:

(i) on any Business Day on which Issuer or the Trustee delivers a Swap Deficiency Call Receivables Offer to Prepay LLC pursuant to Section 2.2(a) of this Exhibit, written notice that a Swap Payment Deficiency exists and the amount of such deficiency;

(ii) on any Business Day on which Prepay LLC is required to make an election to purchase Swap Deficiency Call Receivables pursuant to Section 2.2(b) of this Exhibit, written notice as to whether Prepay LLC has elected to purchase such Swap Deficiency Call Receivables and, if so, the Purchase Date of such Swap Deficiency Call Receivables; and

(iii) if Prepay LLC has elected to purchase Swap Deficiency Call Receivables, on the Purchase Date thereof written notice that the Purchase Price has been received by the Trustee pursuant to Section 2.6 hereof;

provided that, in addition to the foregoing, the Trustee shall deliver written notice to the Custodian if any Swap Payment Deficiency is otherwise cured on the date that such Swap Payment Deficiency is cured.

Section 2.3 Prepay LLC Elective Call Option. Prepay LLC shall have an option to purchase certain Elective Call Receivables from Issuer as described in this Section 2.3. Issuer shall sell to Prepay LLC, and Prepay LLC shall purchase, certain Elective Call Receivables under the following circumstances:

(a) To the extent the Project Participant defaults on its obligation to make any payment under the Commodity Supply Contract with Issuer and such payment default does not result in a Swap Payment Deficiency, then on such Business Day, Issuer shall deliver a written offer (an "Elective Call Receivables Offer") in the form of Attachment 6 to sell to Prepay LLC, at par, the receivables relating to such payment default ("Elective Call Receivables") (such amount, less any undisputed amounts owed by Issuer to the Project Participant under the Commodity Supply Contract, the "Elective Call Receivables Amount"). Such Elective Call Receivables Offer shall identify the Project Participant and include aging information and the face amount of the corresponding Elective Call Receivables.

(b) At any time after the receipt of an Elective Call Receivables Offer, Prepay LLC may, but shall be under no obligation to, elect to purchase the Elective Call Receivables referenced in the Elective Call Receivables Offer by delivering a written notice (an "Elective Call Option Notice") in the form of Attachment 7 to this Exhibit to Issuer and the Trustee of Prepay LLC's intent to purchase such Elective Call Receivables (collectively, the "Elective Call Identified Receivables"). The Elective Call Option Notice will specify a Purchase Date determined by Prepay LLC in its sole discretion.

Section 2.4 Sale and Transfer of Identified Receivables.

(a) Sale and Transfer. On each Purchase Date, Issuer shall sell, transfer, assign, convey and deliver to Prepay LLC, free and clear of all Encumbrances, all of Issuer's and the Trustee's right, title and interest in and to the Identified Receivables described in the applicable Swap Deficiency Call Option Notice, Elective Call Option Notice or Put Option Notice, as applicable. For the purposes of calculating the face value of each Identified Receivable, the face value shall be equal to 100% of each Identified Receivable.

(b) Conditions Precedent to Prepay LLC's Obligation to Purchase. Prepay LLC's obligation to purchase the Put Identified Receivables pursuant to Section 2.1 shall be subject to the following conditions precedent being satisfied on each Purchase Date:

(i) The Trustee and Issuer shall each have delivered to Prepay LLC a duly executed counterpart of a Bill of Sale with respect to the sale of the Put Identified Receivables in the form of Attachment 1 hereto; and

(ii) The representations and warranties of Issuer in Article VIII of the Agreement shall be true and correct in all material respects.

(c) Conditions Precedent to Issuer's Obligation to Sell. Issuer's obligation to sell the Swap Deficiency Call Identified Receivables pursuant to Section 2.2 and Elective Call Identified Receivables pursuant to Section 2.3 shall be subject to the following conditions precedent being satisfied on each Purchase Date:

(i) Prepay LLC and Issuer shall each have delivered to Issuer and the Trustee a duly executed counterpart of a Bill of Sale with respect to the sale of the Swap Deficiency Call Identified Receivables in the form of Attachment 1 hereto; and

(ii) The representations and warranties of Prepay LLC in Article VIII of the Agreement shall be true and correct in all material respects.

Section 2.5 Purchase Price; Payment of Purchase Price. The consideration for the Identified Receivables purchased by Prepay LLC shall equal the Put Receivables Amount or the Swap Deficiency Call Receivables Amount, as applicable (the "Purchase Price").

Section 2.6 Payment of Purchase Price. Prepay LLC shall pay the Purchase Price to the Trustee not later than the applicable Purchase Date by wire transfer of immediately available funds to an account or accounts designated in writing by the Trustee.

Section 2.7 Transfer of Identified Receivables. At any time after or contemporaneous with its purchase of Identified Receivables hereunder, Prepay LLC shall have the right to sell, transfer, assign, convey and deliver all of its right, title and interest in and to any such Identified Receivables to any third party. Prepay LLC while it holds title to any Identified Receivables purchased hereunder and any such third party transferee while it holds title to such Identified Receivables shall be the "Transferee"; provided that (a) any provisions herein that set forth obligations of the Transferee shall apply to a third party Transferee only to the extent that such third party Transferee agrees to comply with the terms hereof[2] and (b) any Transferee other than Prepay LLC shall be a third party beneficiary of the provisions benefiting the Transferee and shall have the right to enforce such provisions. Prepay LLC shall provide prompt notice to Issuer and the Trustee of a transfer of Identified Receivables consistent with this Section 2.7, which notice shall include a notice address and payment instructions for any such Transferee. For the avoidance of doubt, any consideration received by Prepay LLC in connection with a transfer of Identified

[2]

Receivables pursuant to this Section 2.7 shall not constitute payment of the Identified Receivables for purposes of this Exhibit.

Section 2.8 Instructions to Project Participant. No later than the applicable Purchase Date, Issuer shall irrevocably direct the Project Participant in writing to pay the applicable Identified Receivables to the Transferee pursuant to payment instructions to be supplied by the Transferee, and shall copy the Transferee on all such directions. Issuer shall provide all documentation reasonably requested by the Transferee to support the calculation of any Identified Receivable and, upon request by the Transferee, Issuer shall exercise reasonable efforts to assist the Transferee in collecting any Identified Receivable.

Section 2.9 Further Assurances. Issuer hereby agrees to perform, execute or deliver, or cause to be performed, executed or delivered, such further acts, assurances and instruments as the Transferee may reasonably require to complete or perfect the conveyance and transfer to the Transferee of all of Issuer's and the Trustee's right, title and interest in and to the Identified Receivables free and clear of any and all Encumbrances consistent with this Exhibit, and to do any and all such further acts and things as may be reasonably necessary to effect completely the intent of this Exhibit, including, but not limited to, directing the Project Participant to pay all Identified Receivables directly to the Transferee after the applicable Purchase Date. If any amounts are paid to Issuer or the Trustee by the Project Participant with respect to an Identified Receivable that has been sold in whole or in part to the Transferee under this Exhibit, Issuer shall promptly pay any such receipts to the Transferee without setoff of any kind.

Section 2.10 Taxes and Assessments. Notwithstanding anything to the contrary in this Exhibit, as between Issuer and the Transferee, Issuer shall be solely responsible for reporting and payment of all Taxes due or owing by Issuer with respect to transactions under the Commodity Supply Contract (including Gas or Electricity delivered thereunder), and Issuer shall indemnify the Transferee and its affiliates for any such Taxes paid by the Transferee or its affiliates.

Section 2.11 Interest. On the first day of each month, an interest amount shall be calculated equal to the Prime Rate plus 300 basis points per annum calculated on a 30/360 day basis multiplied by the Average Daily Receivables Balance during the prior month.

The "*Average Daily Receivables Balance*" during any month means the sum (but in no event less than zero) of (a) the cumulative interest accrued (whether paid or unpaid) with respect to Identified Receivables pursuant to this Section 2.11 of this Exhibit as of the first day of such month, and (b) the average of the following amount (which can be positive or negative) calculated for each calendar day of such month: (i) the Purchase Price of such Identified Receivables minus (ii) the cumulative amount of all payments received by the Transferee from the Project Participant and from the Trustee or Issuer with respect to such Identified Receivables (including (A) interest payments and (B) any interest credits pursuant to Section 2.14(ii) of this Exhibit).

Section 2.12 Statements of Payments. Within ten Business Days after the end of each month during which any amounts are outstanding under this Exhibit, the Transferee will deliver to Issuer and the Trustee a statement setting forth each of the following as of the end of such month: (a) the Purchase Price of each Identified Receivable sold to the Transferee under this

Exhibit, (b) cumulative interest accrued with respect to such Identified Receivables pursuant to Section 2.11 of this Exhibit and (c) the cumulative amount of all payments received by the Transferee from the Project Participant and from the Trustee or Issuer with respect to such Identified Receivables (including (i) interest payments and (ii) any interest credits pursuant to Section 2.14(ii) of this Exhibit).

Section 2.13 Enforcement of Remedies. For as long as any amounts with respect to an Identified Receivable are owed to the Transferee under this Exhibit, the Transferee shall have the right to pursue payment from the Project Participant for such Identified Receivable and to enforce any remedies available to it against the Project Participant with respect to such Identified Receivable. The Transferee or Issuer may submit a request to the other parties to discuss coordination of collection efforts with respect to the Project Participant with respect to such Identified Receivable. Upon receipt of such request, the parties shall discuss in good faith coordination of collection efforts.

Section 2.14 Excess Payments. If at any time the Transferee receives an amount from any source in respect of any Identified Receivable in excess of the Purchase Price of such Identified Receivable, such amount shall be applied as follows: (i) if such amount is identifiable as payment in respect of the principal amount owing in respect of such Identified Receivable, the Transferee shall remit such amount to the Trustee; and (ii) if such amount is not identifiable as payment in respect of the principal as aforesaid, such amount shall first be credited towards any unpaid interest due to the Transferee under Section 2.11 above, and the Transferee shall remit to the Trustee any portion thereof in excess of any such interest.

ARTICLE III

REPURCHASE OF IDENTIFIED RECEIVABLES

Section 3.1 Repurchase of Identified Receivables. To the extent Identified Receivables sold to Prepay LLC remain unpaid by the Project Participant, Issuer shall have the right, on any day on which the Transferee has not been paid the full Repurchase Price for Identified Receivables that have been sold to Prepay LLC hereunder, to repurchase in whole or in part one or more Identified Receivables in accordance with this Section 3.1. Issuer shall deliver notice to Prepay LLC setting forth the portion of the Identified Receivables to be repurchased by Issuer (the "Repurchase Notice"). The repurchase date for the Identified Receivables specified in the Repurchase Notice ("Repurchase Date") shall be a date designated by Issuer that is no later than 12:00 noon New York City time on the first Business Day following receipt of such Repurchase Notice. In the event that funds to be used to repurchase Identified Receivables are insufficient to repurchase all outstanding Identified Receivables, Issuer shall use such funds to repurchase Identified Receivables in the order in which such Identified Receivables were sold to Prepay LLC, in minimum denominations of $1,000.00.

Section 3.2 Repurchase and Transfer of Identified Receivables. On the Repurchase Date, Prepay LLC shall sell, transfer, assign, convey and deliver to Issuer, free and clear of all Encumbrances, all of Prepay LLC's right, title and interest in and to the portion of the Identified Receivables specified in the applicable Repurchase Notice. On the Repurchase Date,

Prepay LLC shall deliver to Issuer an executed Bill of Sale evidencing the repurchase of the applicable portion of the Identified Receivables in the form of Attachment 2 hereto.

Section 3.3 Repurchase Price. The consideration for the portion of the Identified Receivables identified in the Repurchase Notice to be repurchased by Issuer (the "Repurchase Price") shall be equal to the Purchase Price for such portion of the Identified Receivables minus all payments received by Prepay LLC with respect to such portion of the Identified Receivables. For the avoidance of doubt, the Repurchase Price for an Identified Receivable shall not be adjusted for the amount of any interest accrued from the Project Participant under the Commodity Supply Contract since the Purchase Date of such Identified Receivable.

Section 3.4 Payment of Repurchase Price. Issuer shall pay or cause to be paid the Repurchase Price to Prepay LLC on the Repurchase Date by wire transfer of immediately available funds to an account or accounts designated by Prepay LLC.

Section 3.5 Instructions to Project Participant. No later than the Repurchase Date, Prepay LLC shall irrevocably direct the Project Participant in writing to pay the Identified Receivables, to the extent such Identified Receivables are repurchased by Issuer pursuant to this Article III, to the Trustee pursuant to payment instructions to be supplied by the Trustee, and shall copy the Trustee on all such directions. If any such amounts are paid to Prepay LLC with respect to a portion of an Identified Receivable repurchased by Issuer or the Trustee, Prepay LLC shall promptly pay over any such receipts to the Trustee without setoff of any kind.

Section 3.6 Further Assurances. Prepay LLC hereby agrees to perform, execute or deliver, or cause to be performed, executed or delivered, such further acts, assurances and instruments as Issuer or the Trustee may reasonably require to complete or perfect the conveyance and transfer to the Trustee or Issuer of all of Prepay LLC's right, title and interest in and to the Identified Receivables repurchased by the Trustee or Issuer free and clear of any and all Encumbrances consistent with this Exhibit, and to do any and all such further acts and things as may be reasonably necessary to effect completely the intent of this Exhibit, including, but not limited to, directing the Project Participant to pay all Identified Receivables, to the extent such Identified Receivables are repurchased by Issuer pursuant to this Article III, directly to Issuer after the Repurchase Date.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

Section 4.1 Additional Representations and Warranties of Issuer. As a material inducement to the Transferee's acceptance of the terms of this Exhibit, Issuer hereby represents and warrants to the Transferee as of the date hereof and again on and as of each Purchase Date as follows:

(a) Title. Issuer has or will have at the time of purchase good title to all of the Identified Receivables, free and clear of any and all Encumbrances, other than Encumbrances in favor of the Trustee under the Bond Indenture. Pursuant to the Bond Indenture, Issuer has granted

to the Trustee the right, power and authority to sell the Identified Receivables to the Transferee as set forth herein.

(b) Identified Receivables. All of the Identified Receivables are valid receivables arising from bona fide sales of goods or services in the ordinary course of business.

(c) Commodity Supply Contract. Except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and similar Laws affecting creditors' rights generally, by general principles of equity, and by limitations on legal remedies against public agencies in the State of California:

(i) The Commodity Supply Contract pursuant to which an Identified Receivable is owed to Issuer is a valid and binding obligation of Issuer, enforceable against it in accordance with its terms, is in full force and effect, and has not been amended or supplemented in any material manner or respect except as otherwise indicated to the Transferee.

(ii) There are no breaches or defaults by Issuer of any of its obligations under the Commodity Supply Contract. Except as resulted from the action or omission of the Transferee, no other events have occurred that (with or without notice or lapse of time or both) would result in a breach or default by Issuer under the Commodity Supply Contract.

(iii) None of the rights of Issuer under the Commodity Supply Contract will be impaired by the consummation of the transactions contemplated by this Exhibit.

(iv) Other than with respect to the Bond Indenture or with respect to transactions pursuant to this Exhibit, Issuer has not entered into any agreement (A) with any third party for the sale of the Commodity Supply Contract, (B) that grants any right or interest in the Commodity Supply Contract to any third party or (C) that encumbers in any manner any amounts receivable under the Commodity Supply Contract.

(v) The Commodity Supply Contract is managed and operated by the management and employees and contractors of Issuer and are not subject to any contract, agreement, or arrangement, written or oral, that purports to transfer any right or obligation to manage or operate the Commodity Supply Contract to any third Person.

(vi) Other than pursuant to the Bond Indenture, no condition or state of facts exists, or with due notice or lapse of time or both, would exist, which would entitle any Person to obtain any lien upon the Commodity Supply Contract.

(d) Survival of Representations and Warranties. All the provisions of this Exhibit will survive the Execution Date, any Purchase Date and any Repurchase Date indefinitely, notwithstanding any investigation at any time made by or on behalf of any party hereto, provided that the representations and warranties set forth in this Article IV and in any other provision of this Exhibit or in any certificate or other document delivered in connection herewith with respect to any of such representations and warranties will terminate and expire twenty-four (24) months after the latest Purchase Date or Repurchase Date, except as follows: (x) the representations and warranties of Issuer which relate expressly or by necessary implication to Taxes will survive until

the expiration of thirty (30) days after the expiration of the applicable statutes of limitations (including all periods of extension and tolling); and (y) the representations and warranties of Issuer set forth in Section 4.1 of this Exhibit will survive forever. After a representation and warranty has terminated and expired, no indemnification will or may be sought pursuant to Section 5.2 of this Exhibit on the basis of that representation and warranty by any Person who would have been entitled pursuant to Section 5.2 to indemnification on the basis of that representation and warranty prior to its termination and expiration, provided that in the case of each representation and warranty that will terminate and expire as provided in this Section 4.1(d), no claim presented in writing for indemnification pursuant to Section 5.2 on the basis of that representation and warranty prior to its termination and expiration will be affected in any way by that termination and expiration. Notwithstanding any of the foregoing, claims arising from fraud or knowing breaches of any representation or warranty will survive forever.

ARTICLE V

MISCELLANEOUS

Section 5.1 Notice of Payment Default. Issuer shall promptly, upon becoming aware of a payment default by the Project Participant under the Commodity Supply Contract, give Prepay LLC written notice of such default, sending a copy simultaneously to the Trustee.

Section 5.2 Indemnification. With respect to each indemnification included in this Exhibit, the indemnity is given to the fullest extent permitted by applicable Law and the following provisions shall be applicable.

(a) Indemnification of the Transferee by Issuer. Issuer shall indemnify and hold harmless the Transferee from and against and in respect of any and all claims, actions, demands, losses, costs, taxes, expenses, liabilities, penalties, and other damages, including, without limitation, attorneys' fees and other costs and expenses reasonably incurred in investigating, and attempting to avoid, or in opposing the imposition thereof, resulting to the Transferee from: (i) any inaccurate representation or warranty by Issuer in this Exhibit; (ii) prior to the applicable Repurchase Date, any amounts due or that become due to the Project Participant that reduce the amount of an Identified Receivable payable by the Project Participant from the amount specified in the Swap Deficiency Call Option Notice or Elective Call Option Notice, as applicable; (iii) the breach or default in the performance by Issuer of any of the obligations to be performed by Issuer hereunder; (iv) any non-fulfillment of any covenant or agreement in this Exhibit on the part of Issuer; (v) any liabilities of Issuer relating to the Commodity Supply Contract; and (vi) any liabilities of Issuer relating to the Identified Receivables.

(b) Indemnification of the Trustee by Issuer. Issuer shall indemnify and hold harmless the Trustee from and against and in respect of any and all claims, actions, demands, losses, costs, taxes, expenses, liabilities, penalties, and other damages, including without limitation, attorneys' fees and other costs and expenses reasonably incurred in investigating, and attempting to avoid, or in opposing the imposition thereof, resulting to the Trustee from: (i) any inaccurate representation or warranty by Issuer in this Exhibit; (ii) any amounts due or that become due to the Project Participant under the Commodity Supply Contract that reduce the amount of an Identified Receivable payable by the Project Participant from the amount specified in the Swap

Deficiency Call Option Notice or Elective Call Option Notice, as applicable; (iii) the breach or default in the performance by Issuer of any of the obligations to be performed by Issuer; (iv) any nonfulfillment of any covenant or agreement in this Exhibit on the part of Issuer; (v) any liabilities of Issuer relating to the Commodity Supply Contract; and (vi) any liabilities of Issuer relating to the Identified Receivables.

(c) Indemnification by the Transferee. The Transferee shall indemnify and hold harmless the Trustee and Issuer from and against and in respect of any and all claims, actions, demands, losses, costs, expenses, liabilities, penalties, and other damages, including without limitation, attorneys' fees and other costs and expenses reasonably incurred in investigating, and attempting to avoid, or in opposing the imposition thereof, resulting to the Trustee or Issuer from: (i) any inaccurate representation or warranty by the Transferee in this Exhibit; (ii) the breach or default in the performance by the Transferee of any of the obligations to be performed by the Transferee hereunder; or (iii) any non-fulfillment of any covenant or agreement in this Exhibit on the part of the Transferee.

(d) Notice and Defense of Third-Party Claims. If any proceeding shall be brought or asserted against an indemnified party or any successor thereto (the "Indemnified Person") in respect of which indemnity may be sought under this Section 5.2 from an indemnifying person or any successor thereto (the "Indemnifying Person"), the Indemnified Person shall give written notice of such proceeding to the Indemnifying Person who shall assume the defense thereof, including the employment of counsel satisfactory to the Indemnified Person and the payment of all expenses; provided, that any delay or failure so to notify the Indemnifying Person shall relieve the Indemnifying Person of its obligations hereunder only to the extent, if at all, that it is prejudiced by reason of such delay or failure. In no event shall any Indemnified Person be required to make any expenditure or bring any cause of action to enforce the Indemnifying Person's obligations and liability under and pursuant to the indemnifications set forth in this Section 5.2. The Indemnified Person shall have the right to employ separate counsel in any of the foregoing proceedings and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the Indemnified Person unless the Indemnified Person shall in good faith determine that there exist actual or potential conflicts of interest which make representation by the same counsel inappropriate. In the event that the Indemnifying Person, within five days after notice of any such proceeding, fails to assume the defense thereof, the Indemnified Person shall have the right to undertake the defense, compromise or settlement of such proceeding, for the account of the Indemnifying Person, subject to the right of the Indemnifying Person to assume the defense of such proceeding with counsel satisfactory to the Indemnified Person at any time prior to the settlement, compromise or final determination thereof. Anything in this Section 5.2 to the contrary notwithstanding, the Indemnifying Person shall not, without the Indemnified Person's prior written consent, such consent not to be unreasonably withheld, settle or compromise any proceeding or consent to the entry of any judgment with respect to any proceeding; provided that the Indemnifying Person may, without the consent of the Indemnified Person, settle any proceeding for the payment of money with no other liability and no admission of responsibility.

(e) Survival. The indemnifications included in this Exhibit shall survive termination of the Agreement.

Section 5.3 Modification of Bond Indenture. Issuer agrees and covenants that, as long as the Agreement is in effect, it shall not amend or consent to the amendment of any provision of the Bond Indenture (including without limitation Article V of the Bond Indenture) that would be reasonably likely to have a material adverse impact on the effectiveness of this Exhibit or the transactions contemplated by this Exhibit without the prior written consent of the Transferee, such consent not to be unreasonably withheld.

Section 5.4 Obligations of Prepay LLC. The obligations of Prepay LLC to purchase Put Identified Receivables pursuant to the terms of this Exhibit are unconditional, irrespective of the validity or enforceability of this Exhibit, any waiver or consent by Issuer or the Trustee or any other circumstances that might otherwise constitute a legal or equitable discharge of Prepay LLC or a defense of Prepay LLC to purchase Put Identified Receivables pursuant to the terms of this Exhibit. Prepay LLC waives all rights to set off, counterclaim, recoupment and any other defenses that might otherwise be available to Prepay LLC with regard to Prepay LLC's obligations to purchase Put Identified Receivables pursuant to the terms of this Exhibit.

Section 5.5 Non-Severability; Miscellaneous. For the avoidance of doubt, the obligations of the parties pursuant to this Exhibit are an integral part of the Agreement and may not be severed from such agreement in any way whatsoever, whether by transfer, assignment or otherwise.

Section 5.6 Certain Terms Relating to the Trustee.

(a) The Trustee shall have no duties or obligations under or in respect of this Exhibit other than those specifically enumerated in this Exhibit and the Trustee has assumed no implied duties hereunder. Without limiting the foregoing, nothing herein shall be construed to impose upon the Trustee any duties, obligations or liabilities of Issuer, or to make the Trustee responsible for the actions or omissions of Issuer.

(b) In taking any action (or forbearing from action) under or pursuant to this Exhibit, and with respect to all matters arising under this Exhibit, the Trustee shall have the rights, powers, indemnities and other protections granted or made available to it under the terms of the Bond Indenture.

(c) The Trustee has acted solely in its capacity as Trustee under the Bond Indenture in accepting certain responsibilities set forth in this Exhibit. Notwithstanding any term herein or elsewhere to the contrary, and for the avoidance of doubt, any obligation hereunder on the part of the Trustee to sell Receivables shall be limited to such rights, title and interests in such applicable Receivables as it may hold under the Bond Indenture, and any obligation hereunder on the part of the Trustee to purchase Receivables shall be limited to such funds as may be held by it under, and available for such purpose under the terms of, the Bond Indenture; and in each such case any recourse hereunder against the Trustee with respect to such receivables or such obligation to sell or purchase Receivables shall be limited to such rights, title and interests in the applicable receivables, or such funds available for the purchase thereof, as the case may be, as it may hold in its capacity as Trustee under the Bond Indenture.

(d) Notwithstanding any term hereof to the contrary and for the avoidance of doubt, it is acknowledged and agreed that the Trustee shall have the authority to take such actions as it may deem necessary under this Exhibit as agent and on behalf of the Issuer pursuant to and as provided in the Bond Indenture (subject to the rights retained by the Issuer thereunder, in the absence of conflicting actions by the Trustee, to exercise its rights hereunder), including without limitation the right of the Trustee upon the occurrence of an Event of Default under the Bond Indenture to notify the Issuer to cease exercising its rights hereunder.

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ATTACHMENT 1

FORM OF BILL OF SALE (PURCHASE)

This Bill of Sale dated effective as of the ___ day of _____, _____ (this "Bill of Sale") is executed and delivered by U.S. Bank Trust Company, National Association, as Trustee (the "Trustee"), as agent for and on behalf of Central Valley Energy Authority, a joint powers authority and public entity of the State of California ("Issuer"), to Aron Energy Prepay 48 LLC, a Delaware limited liability company ("Prepay LLC").

RECITALS

WHEREAS, the Trustee, as agent for and on behalf of the Issuer, desires to sell to Prepay LLC, on behalf of Issuer, and Prepay LLC desires to purchase from the Trustee, as agent for and on behalf of the Issuer, the Identified Receivables, as such term is defined in Exhibit E to the Prepaid Commodity Sales Agreement (the "Agreement"), by and between Prepay LLC and Issuer, dated as of [____], 2025 (the "Receivables Purchase Exhibit"); and

WHEREAS, any capitalized term used herein and not otherwise defined shall have the meaning ascribed to it in the Receivables Purchase Exhibit.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and pursuant to the authority granted by Issuer to the Trustee in the Bond Indenture, the Trustee hereby sells, transfers, assigns, conveys and delivers to Prepay LLC and its successors and assigns all of the Trustee's and Issuer's right, title and interest in and to the Identified Receivables as set forth in the Put Option Notice, Elective Call Option Notice or Swap Deficiency Call Option Notice attached hereto as Schedule 1 (the "Assets"), free and clear of any and all Encumbrances other than Encumbrances under the Bond Indenture.

TO HAVE AND TO HOLD unto Prepay LLC and its successors and assigns forever the Assets, together with, all and singular, the rights and appurtenances thereto in any way belonging to the Trustee or Issuer; and each of Trustee and Issuer does hereby agree to confirm to any other Person the ownership of the Assets by Prepay LLC.

A true and correct copy of the Put Option Notice or Swap Deficiency Call Option Notice, as applicable, is attached hereto as Schedule 1.

The Trustee warrants that it has the right to convey and transfer to Prepay LLC all rights to the Identified Receivables to the extent such rights were transferred to the Trustee under the Bond Indenture, free and clear of any Encumbrances that may have arisen from any act or omission of the Trustee, including without limitation Encumbrances in favor of the Trustee under the Bond Indenture. The sale, assignment, conveyance and delivery of the Swap Deficiency Call Identified Receivables by the Trustee herein is without recourse other than as provided in the immediately preceding sentence and Section 5.2(a) of the Receivables Purchase Exhibit, and

without representation or warranty by the Trustee other than as provided in the immediately preceding sentence.

Issuer hereby (i) warrants that the Trustee has the right, as agent of the Issuer, to convey and transfer to Prepay LLC the rights to the Identified Receivables under the Bond Indenture free and clear of any Encumbrances that may have arisen from any act or omission of the Issuer, and (ii) agrees to perform, execute and/or deliver or cause to be performed, executed and/or delivered, any and all such further acts, assurances and instruments as Prepay LLC may reasonably require to complete or perfect the conveyance and transfer to Prepay LLC of all of Issuer's right, title and interest in and to the Assets hereby assigned, and to do all such further acts and things as may be reasonably necessary or useful to effect completely the intent of this Bill of Sale.

[*For sales pursuant to a Put Option Notice*: Issuer hereby certifies to Prepay LLC that each of the representations and warranties set forth in Section 4.1(a), Section 4.1(b) and Section 4.1(c) of the Receivables Purchase Exhibit, as of the date hereof, is true and correct in all material respects.]

[*For sales pursuant to a Swap Deficiency Call Option Notice or an Elective Call Option Notice*: By its acceptance of and agreement to this Bill of Sale, Prepay LLC hereby certifies to the Trustee that each of the representations and warranties of Prepay LLC set forth in Article VIII of the Agreement, as of the date hereof, is true and correct in all material respects.]

This Bill of Sale shall be governed by and construed in accordance with Article X (Jurisdiction; Waiver of Jury Trial) and Section 19.4 (Governing Law) of the Agreement.

This Bill of Sale is executed and delivered pursuant to Section 2.4 of the Receivables Purchase Exhibit, and is subject and subordinate to all of the terms and provisions of the Receivables Purchase Exhibit. In the event of any conflict between any term or provision hereof and any term or provision of the Receivables Purchase Exhibit, the latter shall control.

This Bill of Sale shall be binding upon the Trustee and Issuer and their respective successors and assigns, and shall inure to the benefit of Prepay LLC and its successors and assigns.

This Bill of Sale may not be amended or altered except in a writing signed by each of the Trustee, Issuer and Prepay LLC.

This Bill of Sale is executed and delivered by the Trustee solely in its capacity as such under the Bond Indenture, and not individually, and in so doing the Trustee shall have the benefit of the rights and protections granted to it under the Bond Indenture.

This Bill of Sale may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

EXECUTED AND DELIVERED effective as of the date first written above.

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

By:_____
Name: _____
Title: _____

CENTRAL VALLEY ENERGY AUTHORITY

By:_____
Name: _____
Title: _____

Accepted and Agreed by:

ARON ENERGY PREPAY 48 LLC
By: J. Aron & Company LLC,
its Manager

By:_____
Name: _____
Title: _____

Schedule 1 to Bill of Sale
Copy of Put Option Notice, Swap Deficiency Call Option Notice or Elective Call Option Notice

[Notice to be attached at the time the Bill of Sale is executed]

ATTACHMENT 2

FORM OF BILL OF SALE (REPURCHASE)

This Bill of Sale dated effective as of the ___ day of _____, _____ (this "Bill of Sale") is executed and delivered by Aron Energy Prepay 48 LLC, a Delaware limited liability company ("Prepay LLC"), to U.S. Bank Trust Company, National Association, as Trustee (the "Trustee").

RECITALS

WHEREAS, Prepay LLC desires to sell to the Trustee, and the Trustee desires to purchase from Prepay LLC, in each case as agent for and on behalf of Central Valley Energy Authority, a joint powers authority and public entity of the State of California ("Issuer"), the Identified Receivables (as such term is defined in Exhibit E to the Prepaid Commodity Sales Agreement (the "Agreement")), by and between Prepay LLC and Issuer, dated as of [____], 2025 (the "Receivables Purchase Exhibit"); and

WHEREAS, any capitalized term used herein and not otherwise defined shall have the meaning ascribed to it in the Receivables Purchase Exhibit.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Prepay LLC hereby sells, transfers, assigns, conveys and delivers to the Trustee and its successors and assigns all of Prepay LLC's right, title and interest in and to the Identified Receivables as set forth in the Repurchase Notice attached hereto as Schedule 1 (the "Assets"), free and clear of any and all Encumbrances.

TO HAVE AND TO HOLD unto the Trustee and its successors and assigns forever on behalf of Issuer the Assets, together with, all and singular, the rights and appurtenances thereto in any way belonging to Prepay LLC; and Prepay LLC does hereby agree to confirm to any other Person the ownership of the Assets by the Trustee.

A true and correct copy of the Repurchase Notice is attached hereto as Schedule 1.

Prepay LLC warrants that it has the right to convey and hereby transfers to the Trustee all rights to the applicable Identified Receivables to the extent such rights were transferred to Prepay LLC, free and clear of any Encumbrances that may have arisen from any act or omission of Prepay LLC.

Prepay LLC hereby agrees to perform, execute and/or deliver or cause to be performed, executed and/or delivered, any and all such further acts, assurances and instruments as the Trustee may reasonably require to complete or perfect the conveyance and transfer to the Trustee of all of Prepay LLC's right, title and interest in and to the Assets hereby assigned, and to

do all such further acts and things as may be reasonably necessary or useful to effect completely the intent of this Bill of Sale.

This Bill of Sale shall be governed by and construed in accordance with Article X (Jurisdiction; Waiver of Jury Trial) and Section 19.4 (Governing Law) of the Agreement.

This Bill of Sale is executed and delivered pursuant to Section 3.2 of the Receivables Purchase Exhibit, and is subject and subordinate to all of the terms and provisions of the Receivables Purchase Exhibit. In the event of any conflict between any term or provision hereof and any term or provision of the Receivables Purchase Exhibit, the latter shall control.

This Bill of Sale shall be binding upon Prepay LLC and its successors and assigns, and shall inure to the benefit of the Trustee and its successors and assigns on behalf of Issuer.

This Bill of Sale may not be amended or altered except in a writing signed by each of the Trustee and Prepay LLC.

This Bill of Sale may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

EXECUTED AND DELIVERED effective as of the date first written above.

ARON ENERGY PREPAY 48 LLC
By: J. Aron & Company LLC,
its Manager

By:_____
Name:
Title:

Accepted and Agreed by:

CENTRAL VALLEY ENERGY AUTHORITY

By:_____
Name: _____
Title: _____

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

By:_____
Name:
Title:

Schedule 1 to Bill of Sale
Copy of Repurchase Notice

[Repurchase Notice to be attached at the time the Bill of Sale is executed]

ATTACHMENT 3

FORM OF PUT OPTION NOTICE

[Date]

Aron Energy Prepay 48 LLC
c/o J. Aron & Company LLC
609 Main Street, Suite 2100
Houston, Texas 77002
Attention: gs-prepay-notices@gs.com

The Bank of New York Mellon (the "SPE Master Custodian")
500 Ross Street, AIM 154-1275
Pittsburgh, PA 15262

Re: Exhibit E to the Prepaid Commodity Sales Agreement, by and between Aron Energy Prepay 48 LLC, a Delaware limited liability company, and Central Valley Energy Authority, a joint powers authority and public entity of the State of California ("Issuer"), dated as of [____], 2025 (the "Receivables Purchase Exhibit")

Pursuant to and in accordance with [Section 2.1(a)/Section 2.1(b)] of the Receivables Purchase Exhibit, the Trustee, as agent for and on behalf of the Issuer, hereby delivers this Put Option Notice as of the date hereof with respect to the below Put Identified Receivables in accordance with Section 6(c) of the SPE Master Custodial Agreement and directs the SPE Master Custodian to withdraw amounts on deposit under the SPE Master Custodial Agreement for the purchase of such Put Receivables consistent with the terms of the SPE Master Custodial Agreement.

Project Participant	**Date of Payment Default(s)**	**Principal Amount**	**Interest**

Capitalized terms used herein and not otherwise defined shall have the meaning assigned in the Receivables Purchase Exhibit.

U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION, as Trustee

By:_____
Name:
Title:

ATTACHMENT 4

FORM OF SWAP DEFICIENCY CALL RECEIVABLES OFFER

[Date]

Aron Energy Prepay 48 LLC
609 Main Street, Suite 2100
Houston, Texas 77002
New York, NY 10282
Email: gs-prepay-notices@gs.com

Re: Exhibit E to the Prepaid Commodity Sales Agreement, by and between Aron Energy Prepay 48 LLC ("Prepay LLC") and Central Valley Energy Authority, a joint powers authority and public entity of the State of California ("Issuer"), dated as of [____], 2025 (the "Receivables Purchase Exhibit")

Pursuant to and in accordance with Section 2.2(a) of the Receivables Purchase Exhibit, the Trustee, as agent for and on behalf of the Issuer, hereby delivers this Swap Deficiency Call Receivables Offer as of the date hereof with respect to the below Swap Deficiency Call Identified Receivables.

Project Participant	**Date of Payment Default(s)**	**Principal Amount**	**Interest**

Capitalized terms used herein and not otherwise defined shall have the meaning assigned in the Receivables Purchase Exhibit.

U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION, as Trustee

By:_____
Name:
Title:

ATTACHMENT 5

FORM OF SWAP DEFICIENCY CALL OPTION NOTICE

[Date]

U.S. Bank Trust Company, National Association
[____]
[____]
[____]

Re: Exhibit E to the Prepaid Commodity Sales Agreement, by and between Aron Energy Prepay 48 LLC ("Prepay LLC") and Central Valley Energy Authority, a joint powers authority and public entity of the State of California ("Issuer"), dated as of [____], 2025 (the "Receivables Purchase Exhibit")

Pursuant to and in accordance with Section 2.2(b) of the Receivables Purchase Exhibit and with respect to that certain Swap Deficiency Call Receivables Offer delivered by the Trustee, as agent for and on behalf of the Issuer, on [_____], Prepay LLC hereby delivers this Swap Deficiency Call Option Notice as of the date hereof with respect to, and to confirm its intent to purchase, the below Swap Deficiency Call Identified Receivables and designates a Purchase Date of [_____].

Project Participant	**Date of Payment Default(s)**	**Principal Amount**	**Interest**

Capitalized terms used herein and not otherwise defined shall have the meaning assigned in the Receivables Purchase Exhibit.

ARON ENERGY PREPAY 48 LLC
By: J. Aron & Company LLC,
its Manager

By:_____
Name:
Title:

ATTACHMENT 6

FORM OF ELECTIVE CALL RECEIVABLES OFFER

[Date]

Aron Energy Prepay 48 LLC
c/o J. Aron & Company LLC
609 Main Street, Suite 2100
Houston, Texas 77002
Email: gs-prepay-notices@gs.com

Re: Exhibit E to the Prepaid Commodity Sales Agreement, by and between Aron Energy Prepay 48 LLC ("Prepay LLC") and Central Valley Energy Authority, a joint powers authority and public entity of the State of California ("Issuer"), dated as of [____], 2025 (the "Receivables Purchase Exhibit")

Pursuant to and in accordance with Section 2.3(a) of the Receivables Purchase Exhibit, the Trustee, as agent for and on behalf of the Issuer, hereby delivers this Elective Call Receivables Offer as of the date hereof with respect to the below Elective Call Identified Receivables.

Project Participant	**Date of Payment Default(s)**	**Principal Amount**	**Interest**

Capitalized terms used herein and not otherwise defined shall have the meaning assigned in the Receivables Purchase Exhibit.

U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION, as Trustee

By:_____
Name:
Title:

ATTACHMENT 7

FORM OF ELECTIVE CALL OPTION NOTICE

[Date]

U.S. Bank Trust Company, National Association
[____]
[____]
[____]

Re: Exhibit E to the Prepaid Commodity Sales Agreement, by and between Aron Energy Prepay 48 LLC ("Prepay LLC") and Central Valley Energy Authority, a joint powers authority and public entity of the State of California ("Issuer"), dated as of [____], 2025 (the "Receivables Purchase Exhibit")

Pursuant to and in accordance with Section 2.3(b) of the Receivables Purchase Exhibit and with respect to that certain Elective Call Receivables Offer delivered by the Trustee, as agent for and on behalf of the Issuer, on [_____], Prepay LLC hereby delivers this Elective Call Option Notice as of the date hereof with respect to, and to confirm its intent to purchase, the below Elective Call Identified Receivables and designates a Purchase Date of [_____].

Project Participant	**Date of Payment Default(s)**	**Principal Amount**	**Interest**

Capitalized terms used herein and not otherwise defined shall have the meaning assigned in the Receivables Purchase Exhibit.

ARON ENERGY PREPAY 48 LLC
By: J. Aron & Company LLC,
its Manager

By:_____
Name:
Title:

EXHIBIT F

PRICING AND OTHER TERMS

Administrative Fee:	$[____]/MMBtu during the Gas Delivery Period $[____]/MWh during the Electricity Delivery Period while deliveries are only to the Primary Electricity Delivery Point
Delivery Period:	The period beginning on [____], and ending on [____] or earlier upon the Commodity Delivery Termination Date; provided that the Delivery Period shall end immediately upon the effective termination date of this Agreement pursuant to Article XVII hereof.
Current Reset Period:	The period beginning on [____] and ending on [____].
Minimum Discount Percentage:	[____] percent ([____]%) for each Reset Period after the Current Reset Period, provided that the Minimum Discount Percentage shall be determined during the Electricity Delivery Period as a percentage of the Fixed Price (as defined in the Buyer Swap) for the Primary Electricity Delivery Point.
Monthly Discount Percentage:	[____] percent ([____]%) during the Current Reset Period, and for each Month of a Reset Period thereafter, the Monthly Discount Percentage portion of the Available Discount Percentage for such Reset Period determined by the Calculation Agent pursuant to the Re-Pricing Agreement.
Prepayment:	$[____]
Prepayment Outside Date:	[____]
Remarketing Fee:	During the Gas Delivery Period: $[____]/MMBtu During the Electricity Delivery Period: $[____]/MWh, Remarketing Fee: $0.50/MWh, provided that: (i) to the extent that (x) less than 95% of the aggregate Assigned Prepay Quantities are actually delivered under an Assigned PPA in four consecutive Months and (y) such under-deliveries are not a result of Force Majeure, the Remarketing Fee applicable to the remarketing of Assigned Product under such Assigned PPA commencing with Seller's remarketing payment for the fourth consecutive Month of under-deliveries shall be $[2.00]/MWh until such Assigned PPA has delivered

	95% or more of the aggregate Assigned Prepay Quantities for three consecutive Months; and (ii) to the extent that none of the Assigned Prepay Quantities are actually delivered under an Assigned PPA for six consecutive Months due to Force Majeure, then (x) an "Assigned PPA FM Remarketing Event" shall be in effect until such Assigned PPA has delivered 95% or more of the aggregate Assigned Prepay Quantities for three consecutive Months and (y) the Remarketing Fee applicable to the remarketing of Assigned Product under such Assigned PPA commencing with Seller's remarketing payment for the sixth consecutive Month of non-deliveries shall be $[2.00]/MWh while such Assigned PPA FM Remarketing Event is continuing and in effect. As used herein, "Assigned PPA" means any power purchase agreement that is assigned pursuant to a PPA Assignment Agreement in accordance with the terms of this Agreement and the Commodity Supply Contract.
Fixed Price:	$[____]/MMBtu during the Gas Delivery Period $[____]/MWh during the Electricity Delivery Period while deliveries are only to the Primary Electricity Delivery Point
Specified Fixed Price:	$[____]/MMBtu during the Gas Delivery Period if only natural gas deliveries $[____]/MWh during the Electricity Delivery Period if only electric deliveries to the Primary Electricity Delivery Point
Discount Rate Spread:	[____] basis points per annum
Specified Discount Percentage:	For Commodities delivered [____] – [____]: [____] percent ([____]%) For Commodities delivered [____] – [____]: to be the Available Discount Percentage (as defined in the Re-Pricing Agreement) for such Reset Period
Additional Termination Payment Applies to the Following Commodity Delivery Termination Events:	[Not applicable]

EXHIBIT G-1

GAS COMMUNICATIONS PROTOCOL[4]

[To be attached.]

[4] SM NTD: To attach the final agreed versions of communications protocols from the Commodity Supply Contract.

EXHIBIT G-2

ELECTRICITY COMMUNICATIONS PROTOCOL

[To be attached.]

COMMODITY SUPPLY CONTRACT

between

CENTRAL VALLEY ENERGY AUTHORITY

and

TURLOCK IRRIGATION DISTRICT

Dated as of [___], 2025

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COMMODITY SUPPLY CONTRACT

This Commodity Supply Contract (hereinafter "Agreement") is made and entered into as of [___], 2025 (the "Execution Date"), by and between Central Valley Energy Authority, a joint powers authority duly formed and existing under the laws of the State of California ("Issuer") and Turlock Irrigation District, an irrigation district duly formed and existing under the laws of the State of California ("Purchaser"). Each of Issuer and Purchaser is sometimes individually referred to herein as a "Party", and collectively as the "Parties".

W I T N E S S E T H:

WHEREAS, Issuer has planned and developed a project to acquire long-term Gas and Electricity supplies from Aron Prepay 48 LLC ("Prepay LLC") pursuant to a Prepaid Commodity Sales Agreement, dated as of [___], 2025 (as amended, restated, supplemented or otherwise modified from time to time, the "Prepaid Agreement") to meet a portion of the Gas and Electricity supply requirements of Purchaser through a commodity prepayment project; and

WHEREAS, Purchaser desires to enter into an agreement with Issuer for the purchase of Gas supplies from the Commodity Project until the Switch Date (as defined below) and Electricity supplies after the Switch Date; and

WHEREAS, Issuer will finance the prepayment under the Prepaid Agreement and the other costs of the Commodity Project by issuing Bonds; and

WHEREAS, as a condition precedent to the effectiveness of the Parties' obligations under this Agreement, Issuer shall have entered into the Prepaid Agreement and shall have issued the Bonds; and

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

ARTICLE I
DEFINITIONS

Section 1.1 Defined Terms. The following terms, when used in this Agreement and identified by the capitalization of the first letter thereof, have the respective meanings set forth below, unless the context otherwise requires:

"Administrative Fee" means the amount specified in Exhibit F.

"Agreement" has the meaning specified in the preamble and shall include exhibits, recitals and attachments referenced herein and attached hereto and all amendments, supplements and modifications hereto and thereto.

"Alternate Electricity Delivery Point" has the meaning specified in Section 5.1(c).

"Alternate Gas Delivery Point" has the meaning specified in Section 5.1(a).

"Annual Refund" means the annual refund, if any, provided to Purchaser and calculated pursuant to the procedures specified in Section 3.2(c).

"APC Contract Price" has the meaning specified in Exhibit H.

"APC Party" has the meaning specified in Exhibit H.

"Applicable Rating Agencies" means, at any given time, each Rating Agency then rating the Bonds.

"Assignable Contract" has the meaning specified in Section 15.1.

"Assigned Delivery Point" means, with respect to any Assigned Electricity, the Assigned Delivery Point as set forth in the applicable Assignment Schedule for such Assigned Electricity.

"Assigned Electricity" means any Electricity under a PPA Assignment Agreement to be delivered to J. Aron pursuant to the terms thereof.

"Assigned Gas" means any Gas under a Gas Assignment Agreement to be delivered to J. Aron pursuant to the terms thereof.

"Assigned PAYGO Amount" means, for any Month during the Electricity Delivery Period, the amount, if any, by which the quantity of Assigned Electricity (in MWh) delivered under a PPA Assignment Agreement in such Month exceeds the Assigned Prepay Quantity thereunder for such Month.

"Assigned Prepay Quantity" has the meaning specified in Exhibit H.

"Assigned Product" means Assigned Electricity, Assigned RECs and any other Electricity Product included on an Assignment Schedule, subject to the limitations for such other Electricity Product set forth in Exhibit H during the Electricity Delivery Period.

"Assigned RECs" means any RECs to be delivered to Purchaser pursuant to any Assigned Rights and Obligations.

"Assigned Rights and Obligations" has the meaning specified in Section 15.1.

"Assignment Period" has the meaning specified in any Gas Assignment Agreement or PPA Assignment Agreement entered into consistent with the applicable terms of this Agreement.

"Assignment Schedule" has the meaning specified in Exhibit H.

"Available Discount Percentage" has the meaning specified in the Re-Pricing Agreement. For the avoidance of doubt, the "Available Discount Percentage" under the Re-Pricing Agreement includes the Monthly Discount Percentage as well as additional discounting expected to be made available in the Annual Refund.

"Billing Date" has the meaning specified in Section 14.1(b).

"Billing Statement" has the meaning specified in Section 14.1(b).

"Bond Closing Date" means the first date on which the Bonds are issued pursuant to the Bond Indenture.

"Bond Indenture" means (i) the Trust Indenture dated as of [___] 1, 2025 between Issuer and the Trustee, as supplemented and amended from time to time in accordance with its terms, and (ii) any trust indenture entered into in connection with the commencement of any Interest Rate Period after the initial Interest Rate Period between Issuer and the Trustee containing substantially the same terms as the indenture described in clause (i) and which is intended to replace the indenture described in clause (i) as of the commencement of such Interest Rate Period.

"Bonds" has the meaning specified in the Bond Indenture.

"Btu" means one (1) British thermal unit, the amount of heat required to raise the temperature of one (1) pound of water one (1) degree Fahrenheit at sixty (60) degrees Fahrenheit, and is the International Btu. The reporting basis for Btu is 14.73 psia and sixty (60) degrees Fahrenheit, *provided*, however, that the definition of Btu as determined by the operator of the relevant Delivery Point shall be deemed conclusive in accordance with [Section 5.7] of the Prepaid Agreement; and *provided*, further, that in the event of an inconsistency in the definition of "Btu" between this definition and the definition of "Btu" in the Prepaid Agreement, the definition in the Prepaid Agreement shall apply.

"Business Day" means any day other than (i) a Saturday or Sunday, (ii) a Federal Reserve Bank Holiday, (iii) any other day on which commercial banks in either New York, New York or the State of California are authorized or required by Law to close, or (iv) any other day excluded pursuant to the Bond Indenture.

"Buyer Swap" has the meaning specified in the Prepaid Agreement.

["CAISO" means California Independent System Operator or its successor.]

"Calculation Agent" has the meaning specified in the Re-Pricing Agreement.

"Claiming Party" has the meaning specified in Section 11.1.

"Claims" means all claims or actions, threatened or filed, that directly or indirectly relate to the indemnities provided herein, and the resulting losses, damages, expenses, attorneys' fees, experts' fees, and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement.

"Code " means the Internal Revenue Code of 1986, as amended.

"Commercially Reasonable" or "Commercially Reasonable Efforts" means, with respect to any purchase or sale or other action required to be made, attempted or taken by a Party under this Agreement, such efforts as a reasonably prudent Person would undertake for the protection of its own interest under the conditions affecting such purchase or sale or other action, including without limitation, the amount of notice of the need to take such action, the duration and type of the purchase or sale or other action, the competitive environment in which such purchase or sale or other action occurs, and the risk to the Party required to take such action.

"Commodity" means Gas or Electricity and, to the extent included on an Assignment Schedule, Electricity Product related to the foregoing; provided that the inclusion of any Electricity on an Assignment Schedule is subject to the limitations set forth in Exhibit H, as applicable.

"Commodity Project" has the meaning specified in the Bond Indenture.

"Contract Price" means: (a) during the Gas Delivery Period for Gas Day and each Delivery Point, (i) the Daily Index Price for such Delivery Point for such Gas Day, plus (ii) any applicable Delivery Point Premium, less (iii) the product of (i) the Prepay Fixed Price multiplied by the Monthly Discount Percentage, and (b) during the Electricity Delivery Period for each Delivery Hour of Electricity deliveries and each Delivery Point, the Day-Ahead Market Price for such Delivery Point for such Delivery Hour less the product of the Prepay Fixed Price multiplied by the Monthly Discount Percentage; *provided* that (I) with respect to the Assigned Prepay Quantity, the Contract Price shall be (x) the applicable APC Contract Price multiplied by (y) the result of 100% less the Monthly Discount Percentage, and (II) with respect to any Assigned PAYGO Amount, the Contract Price shall be the APC Contract Price.

"Contract Quantity" means: (a) during the Gas Delivery Period for each Gas Day and each Delivery Point, the daily quantity of Gas (in MMBtu) shown in Exhibit A for such Delivery Point for the Month in which such Gas Day occurs; and (b) during the Electricity Delivery Period, (i) the Hourly Quantity, if any, for each Hour and each Delivery Point and (ii) the Assigned Prepay Quantity, if any, for each Month.

"CPT " means Central Daylight Saving Time when such time is applicable and otherwise means Central Standard Time.

"Critical Notice" has the meaning specified in Section 5.2(a)(ii).

"Current Reset Period" has the meaning specified in Exhibit F.

"Daily Index Price" means, with respect to any Gas Day and any Delivery Point, the Midpoint price (in $/MMBtu) published in Gas Daily (published by S&P Global Platts, a division of S&P Global Inc.) under the heading "Daily price survey" for the Gas Daily pricing point corresponding to such Delivery Point (as shown on Exhibit A) for the "Flow date" corresponding to such Gas Day.

"Day -Ahead Market Pricehas the meaning set forth in Exhibit A for each Electricity Delivery Point.

"Default Rate" means, as of any date of determination, the lesser of (a) the sum of (i) the rate of interest per annum quoted in The Wall Street Journal (Eastern Edition) under the "Money Rates" section as the "Prime Rate" for such date of determination, plus (ii) one percent per annum, or (b) if a maximum rate is imposed by applicable Law, such maximum lawful rate.

"Delivering Transporter" means the Transporter delivering Gas at a Delivery Point.

"Delivery Hours" means each Hour beginning at 9:00 a.m. CPT on the Switch Date and ending at the end of the last Hour in the Delivery Period.

"Delivery Period" has the meaning specified in Exhibit F.

"Delivery Point" means (a) during the Gas Delivery Period, the Gas Delivery Point and (b) during the Electricity Delivery Period, the Electricity Delivery Point.

"Delivery Point Premium" means the amount specified in Exhibit A for deliveries to a Delivery Point, which shall reflect (i) any premium to the index price payable under a Gas Assignment Agreement or (ii) any premium otherwise designated by J. Aron consistent with Section 8.2 of Exhibit G-1 to the extent that a Gas Assignment Agreement is not in effect.

"Disqualified Sale Proceeds" has the meaning specified in Section 7.6(a).

"Disqualified Sale Units" has the meaning specified in Section 7.6(a).

"Electricity" means three-phase, 60-cycle alternating current electric energy, expressed in megawatt hours.

"Electricity Delivery Period" means the period commencing at 9:00 am CPT on the Switch Date and ending as of the last Hour (in LPT) on the last calendar day of the Delivery Period.

"Electricity Delivery Point" has the meaning specified in Section 5.1(c).

"Electricity Product" means Electricity and, to the extent included on an Assignment Schedule, RECs, capacity or other products related to the foregoing; *provided* that the inclusion of any Electricity Product on an Assignment Schedule is subject to the limitations set forth in Exhibit H.

"Execution Date" has the meaning specified in the preamble.

"Federal Tax Certificate" the executed Federal Tax Certificate delivered by Purchaser in the form attached as Exhibit D.

"FERC" means the Federal Energy Regulatory Commission or any successor thereto.

"Firm" means, with respect to the obligations to deliver or take Gas during the Gas Delivery Period, that either Party may interrupt its performance without liability only to the extent that such performance is prevented for reasons of Force Majeure; *provided*, however, that during Force Majeure interruptions, the Party invoking Force Majeure may be responsible for Imbalance Charges as set forth in Section 5.5 related to its interruption after the nomination is made to the Transporter and until the change in deliveries and/or receipts is confirmed by the Transporter.

"Firm (LD)" means, with respect to the obligation to deliver or take Electricity, that either Party shall be relieved of its obligations to sell and deliver or purchase and take without liability only to the extent that, and for the period during which, such performance is prevented by Force Majeure.

"Force Majeure" has the following meanings during the Gas Delivery Period and the Electricity Delivery Period, respectively:

(a) During the Gas Delivery Period, "Force Majeure" means an event or circumstance which prevents one Party from performing its obligations under this Agreement, which event or circumstance was not anticipated as of the Execution Date, which is not within the reasonable control of, or the result of the negligence of, the Claiming Party, and which, by the exercise of due diligence, the Claiming Party is unable to overcome or avoid or cause to be avoided. Force Majeure shall include, provided the criteria in the first sentence are met, the following: (i) physical events such as acts of God, landslides, lightning, earthquakes, fires, storms or storm warnings, such as hurricanes, which result in evacuation of the affected area, floods, washouts, explosions, breakage or accident or necessity of repairs to machinery or equipment or lines of pipe; (ii) weather-related events affecting an entire geographic region, such as low temperatures which cause freezing or failure of wells or lines of pipe; (iii) interruption and/or curtailment of transportation and/or storage by Transporters (*provided* that, if the affected Party is using interruptible or secondary Firm transportation, only if primary, in-path, Firm transportation is also curtailed by the same event, or if the relevant Transporter does not curtail based on path, if primary Firm transportation is also curtailed); (iv) acts of others such as strikes, lockouts or other industrial disturbances, riots, sabotage, insurrections, wars or acts of terror; (v) governmental actions such as necessity for compliance with any Law promulgated by a Government Agency having jurisdiction; (vi) any invocation of "Force Majeure" by an Upstream Supplier (regardless of whether the event of Force Majeure was invoked separately by J. Aron, Prepay LLC or Issuer or would otherwise be considered an event of Force Majeure under this Agreement if it affected Issuer directly); (vii) an inability by Issuer to deliver Gas due to the circumstances described as an event of Force Majeure in Section 5.7 hereof; and (viii) any invocation of Force Majeure by Prepay LLC under the Prepaid Agreement. Notwithstanding the foregoing, neither Party shall be entitled to the benefit of the provisions of Force Majeure to the extent performance is affected by any or all of the following circumstances: (i) the curtailment of interruptible or secondary Firm

transportation unless primary, in-path, Firm transportation is also curtailed; (ii) the Party claiming excuse failed to remedy the condition and to resume the performance of such covenants or obligations with reasonable dispatch; (iii) economic hardship, to include, without limitation, Issuer's ability to sell Gas at a higher or more advantageous price, Purchaser's ability to purchase Gas at a lower or more advantageous price, or a Government Agency disallowing, in whole or in part, the pass through of costs resulting from this Agreement; or (iv) the loss of Purchaser's market(s) or Purchaser's inability to use or resell Gas purchased under this Agreement, except, in either case, as provided in the foregoing definition of Force Majeure. Purchaser shall not be entitled to the benefit of the provisions of Force Majeure to the extent performance is affected by any action taken by Purchaser in its governmental capacity. The Party claiming Force Majeure shall not be excused from its responsibility for Imbalance Charges. In addition to the foregoing and notwithstanding anything to the contrary herein, to the extent that a Gas Assignment Agreement is terminated early, such termination shall constitute Force Majeure with respect to Issuer hereunder until the end of the first Month following the Month in which such early termination occurs.

(b) During the Electricity Delivery Period, "Force Majeure" means an event or circumstance which prevents one Party from performing its obligations under this Agreement, which event or circumstance was not anticipated as of the Execution Date, which is not within the reasonable control of, or the result of the negligence of, the Claiming Party, and which, by the exercise of due diligence, the Claiming Party is unable to overcome or avoid or cause to be avoided. Any invocation of Force Majeure by Prepay LLC under the Prepaid Agreement shall constitute Force Majeure under this Agreement. Force Majeure shall not be based on (i) the loss of Purchaser's markets; or (ii) Purchaser's inability economically to use or resell the Commodities purchased hereunder; or (iii) Issuer's ability to sell the Commodities at a higher price. Neither Party may raise a claim of Force Majeure based in whole or in part on curtailment by a Transmission Provider unless (i) such Party has contracted for firm transmission with such Transmission Provider for the Commodities to be delivered to or received at the Delivery Point and (ii) such curtailment is due to "force majeure" or "uncontrollable force" or a similar term as defined under the Transmission Provider's tariff; *provided*, however, that existence of the foregoing factors shall not be sufficient to conclusively or presumptively prove the existence of Force Majeure absent a showing of other facts and circumstances which in the aggregate with such factors establish that Force Majeure as defined in the first sentence of this sub-paragraph (b) has occurred. In addition to the foregoing and notwithstanding anything to the contrary herein, to the extent that a PPA Assignment Agreement is terminated early, such termination shall constitute Force Majeure with respect to Issuer hereunder until the end of the first Month following the Month in which such early termination occurs.

"Gas " shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane.

"Gas Assignment Agreement" means an assignment agreement entered into consistent with Section 8 of Exhibit G-1.

"Gas Day" means a period of twenty-four (24) consecutive hours, beginning at 9:00 a.m. CPT and ending at 8:59:59 a.m. CPT.

"Gas Delivery Period" means the period commencing at 9:00 am CPT on the first day of the Delivery Period and ending at 8:59:59 am CPT on the earlier of (i) the Switch Date, and (ii) the last Gas Day that commences during the Delivery Period.

"Gas Delivery Point" has the meaning specified in Section 5.1(a).

"Government Agency" means the United States of America, any state thereof, any municipality, or any local jurisdiction, or any political subdivision of any of the foregoing, including, but not limited to, courts, administrative bodies, departments, commissions, boards, bureaus, agencies, or instrumentalities.

"Hour " means each 60-minute period commencing at 9:00 am CPT on the Switch Date through the last hour of the Delivery Period. The term "Hourly" shall be construed accordingly.

"Hourly Quantity" means, (i) with respect to each Delivery Hour, the quantity (in MWh) set forth in Exhibit A for the Month in which such Delivery Hour occurs, and (ii) with respect to any other Hour, zero (0) MWh.

"Imbalance Charges" means any fees, penalties, costs or charges (in cash or in kind) assessed by a Transporter for failure to satisfy the Transporter's balancing and/or nomination requirements based on such Transporter's applicable pipeline tariff.

"Indemnifying Party" has the meaning specified in Section 5.3(b).

"Interest Rate Period" has the meaning specified in the Bond Indenture.

"Issuer" has the meaning specified in the preamble.

"Issuer Default" has the meaning specified in Section 17.1.

"J. Aron" means J. Aron & Company LLC, a New York limited liability company.

"LAA Upstream Supply Contract" has the meaning specified in Exhibit G-1.

"Law" means any statute, law, rule or regulation or any judicial or administrative interpretation thereof having the effect of the foregoing enacted, promulgated, or issued by a Government Agency whether in effect as of the Execution Date or at any time in the future.

"LPT" means the local prevailing time then in effect in the State of California.

"Minimum Discount Percentage" has the meaning specified in Exhibit F.

"MMBtu" means one million British thermal units, which is equivalent to one dekatherm.

"Month" means (a) during the Gas Delivery Period, the period beginning at 9:00 a.m. CPT on the first day of a calendar month and ending at 8:59:59 a.m. CPT on the first day of the next calendar month, and (b) during the Electricity Delivery Period, a calendar month. The term "Monthly" shall be construed accordingly.

"Monthly Discount Percentage" has the meaning specified in Exhibit F.

"Monthly Index Price" has the meaning specified in Exhibit A for each Gas Delivery Point.

"Municipal Utility" means any Person that (i) is a "governmental person" as defined in the implementing regulations of Section 141 of the Code and any successor provision, (ii) owns either or both a gas distribution utility or an electric distribution utility (or provides natural gas or Electricity at wholesale to, or that is sold to entities that provide gas or Electricity at wholesale to, governmental Persons that own such utilities), and (iii) agrees in writing to use the Gas or Electricity purchased by it (or cause such as to be used) for a qualifying use as defined in U.S. Treas. Reg. § 1.148-1(e)(2)(iii).

"MWh" means megawatt-hour.

"Non-Priority Commodities" means any Commodities that are not Priority Commodities.

"Party" or "Parties" have the meanings specified in the preamble.

"Person" means any individual, corporation, partnership, joint venture, trust, unincorporated organization or Government Agency.

"Potential Remarketing Event" has the meaning specified in Section 3.4(b).

"PPA Assignment Agreement" means, for any Assigned Rights and Obligations, an agreement among Purchaser, J. Aron and an APC Party in the form attached hereto as Attachment 2 to Exhibit H (with such changes as may be mutually agreed upon by Purchaser, J. Aron and the APC Party, each in its sole discretion).

"Prepaid Agreement" means the Prepaid Commodity Sales Agreement, dated as of [___], 2025, by and between Issuer and Prepay LLC.

"Prepay Fixed Price" means (i) $[___]/MMBtu during the Gas Delivery Period and (ii) $[___]/MWh during the Electricity Delivery Period, which are the fixed prices under the Buyer Swap.

"Prepay LLC" means Aron Energy Prepay 48 LLC, a Delaware limited liability company.

"Primary Electricity Delivery Point" has the meaning specified in Section 5.1(c).

"Primary Gas Delivery Point" has the meaning specified in Section 5.1(a).

"Priority Commodities" means the Contract Quantity of Commodities to be purchased by Purchaser under this Agreement, together with Commodities that (i) Purchaser is obligated to take under a long-term agreement, which Commodities either have been purchased (or, with respect to Gas, has been produced from Gas reserves in the ground which reserves were purchased) by Purchaser or a joint action agency using the proceeds of bonds, notes, or other obligations, the interest on which is excluded from income for federal income tax purposes pursuant to a long-term prepaid gas purchase agreement, or (ii) with respect to Electricity, is generated using capacity that was constructed using the proceeds of bonds, notes, or other obligations, the interest on which is excluded from income for federal income tax purposes.

"Project Participant" has the meaning specified in the Bond Indenture.

"Purchaser" has the meaning specified in the preamble.

"Purchaser Default" has the meaning specified in Section 17.2.

"Purchaser's Master Resolution" means Resolution No. 96-20 of the Board of Directors of Purchaser, adopted on February 27, 1996, as amended and supplemented.[1]

"Purchaser's Statement" has the meaning specified in Section 14.1(a).

"Qualifying Use Requirements" means, with respect to any Commodity delivered under this Agreement, such Commodity is used (i) for a "qualifying use" as defined in U.S. Treas. Reg. § 1.148-1(e)(2)(iii), (ii) in a manner that will not result in any "private business use" within the meaning of Section 141 of the Code, and (iii) in a manner that is consistent with the Federal Tax Certificate attached hereto as Exhibit D.

"Rating Agency" has the meaning specified in the Bond Indenture.

"Receiving Transporter" means the Transporter taking Gas at a Delivery Point, or absent such Transporter, the Transporter delivering Gas at such Delivery Point.

["RECs" means "renewable energy credits," a certificate of proof associated with the generation of electricity from an eligible renewable energy resource, which certificate is issued through the accounting system established by the California Energy Commission pursuant to the California Renewable Energy Resources Act, including the California Renewables Portfolio Standard Program, Article 16 of Chapter 2.3, as implemented and amended from time to time, or any successor law, evidencing that one (1) MWh of energy was generated and delivered from such eligible renewable energy resource. Such certificate is a tradable environmental commodity (also known as a "green tag") for which the owner of the REC can prove that it has purchased renewable energy.]

"Reduced Hourly Quantity" has the meaning specified in Exhibit H.

"Remarketing Election Deadline" means, for any Reset Period, the last date and time by which the Purchaser may provide a Remarketing Election Notice, which shall be 4:00 p.m. LPT on the 10th day of the Month (or, if such day is not a Business Day, the next succeeding Business Day) prior to the first delivery Month of a Reset Period with respect to which a Potential Remarketing Event has occurred.

"Remarketing Election Notice" has the meaning specified in Section 3.4(b).

"Replacement Electricity" means Electricity purchased by Purchaser to replace any Shortfall Quantity; *provided* that, such Electricity is purchased for delivery in the Delivery Hour to which such Shortfall Quantity relates.

"Replacement Electricity Price" means, with respect to any Shortfall Quantity for Electricity, the price (in $/MWh) at which Purchaser, acting in a Commercially Reasonable manner, purchases Replacement Electricity in respect of such Shortfall Quantity, including (i) costs reasonably incurred by Purchaser in purchasing such Replacement Electricity, and (ii) additional transmission charges, if any, reasonably incurred by Purchaser to the Delivery Point. The Replacement Electricity Price for any Shortfall Quantity shall not include any administrative or other internal costs incurred by Purchaser and shall be limited to a price that is Commercially Reasonable with respect to the timing and manner of purchase given (i) the amount of notice provided by Issuer, (ii) the immediacy of Purchaser's Electricity needs or redelivery obligations, (iii) the quantities involved, (iv) the anticipated length of failure by Issuer, (v) Purchaser's obligation to mitigate Issuer's damages pursuant to Section 4.1(d), and (vi) any other relevant factors. In no event shall the Replacement Electricity Price include any penalties, ratcheted demand or similar charges, nor shall Purchaser be required to utilize or change its utilization of its owned or controlled assets or market positions to minimize Issuer's liability.

"Replacement Gas" means Gas purchased by Purchaser to replace any Shortfall Quantity; *provided* that, such Gas (i) is purchased for delivery on the Gas Day to which such Shortfall Quantity relates, (ii) is purchased for delivery in the Month such Shortfall Quantity arises, or (iii) relates to a Shortfall Quantity that arose on a Gas Day that commences on any of the last seven Business Days of a Month, and is purchased for delivery in the Month following the Month in which such Shortfall Quantity arose.

"Replacement Gas Price" means, with respect to any Shortfall Quantity for Gas, the price (in $/MMBtu) at which Purchaser, acting in a Commercially Reasonable manner, purchases Replacement Gas for delivery at the Delivery Point, subject to the final sentence of this definition, in respect of such Shortfall Quantity, including (i) costs reasonably incurred by Purchaser in purchasing such Replacement Gas, and (ii) any transportation costs (including storage withdrawal and injection costs, which may include liquefaction and vaporization costs for stored liquefied natural gas). The Replacement Gas Price for any Shortfall Quantity shall not include any administrative or other internal costs incurred by Purchaser and shall be limited to a price that is Commercially Reasonable with respect to the timing and manner of purchase given (i) what constitutes a price reasonable for the delivery area, (ii) the amount of notice provided by Issuer,

(iii) the immediacy of Purchaser's Gas consumption needs, as applicable, (iv) the quantities involved, (v) the anticipated length of failure by Issuer and (vi) Purchaser's obligation to mitigate Issuer's damages pursuant to Section 4.1(d). In no event shall the Replacement Gas Price include any penalties or similar charges; *provided* that, Imbalance Charges may be recovered under Section 5.5.

"Re-Pricing Agreement" means the Re-Pricing Agreement, dated as of the Bond Closing Date, by and between Issuer and Prepay LLC.

"Reset Period" means each "Reset Period" under the Re-Pricing Agreement.

"Reset Period Notice" has the meaning specified in Section 3.4(a).

"Schedule", "Scheduled" or "Scheduling" means the actions of Issuer, Purchaser and/or their designated representatives, including each Party's Transmission Providers, if applicable, of notifying, requesting and confirming to each other the quantity of Commodity to be delivered during any given portion of the Delivery Period at a specified Delivery Point.

"Shortfall Quantity" has the meaning specified in Section 4.1(a).

"Switch Date" mean such date as determined under the Prepaid Agreement pursuant to the procedure described in Section 3.3.

"Transmission Provider(s)" means any entity or entities transmitting or transporting Electricity on behalf of Issuer or Purchaser to or from the Delivery Point.

"Transporter(s)" means all Gas gathering or pipeline companies, or local distribution companies acting in the capacity of a transporter, transporting Gas for Issuer or Purchaser upstream or downstream, respectively, of the Delivery Point.

"Trustee" means U.S. Bank Trust Company, National Association, and its successors as Trustee under the Bond Indenture.

"Upstream Supplier" means any supplier to J. Aron of Gas to be delivered under the Commodity Sale and Service Agreement (as defined in the Prepaid Agreement).

"Utility Revenues" means[2].in accordance with the accrual basis of accounting and in accordance with generally accepted accounting principles applicable to governmental utilities, (i) all revenues, income, rents and receipts derived or to be derived by Purchaser from or attributable to the ownership and operation of Purchaser's System (as defined in Purchaser's Master Resolution), including all revenues attributable to the System or to the payment of the costs thereof received or to be received by Purchaser under any contract for the sale of power, energy, transmission or other services from the System or any part thereof or any contractual arrangement with respect to the use of the System or any portion thereof or the services, output or capacity thereof, (ii) the proceeds of any insurance covering business interruption loss relating to the

[2].

System, and (iii) investment income earned on any moneys or securities held in any fund or account pursuant to the Purchaser's Master Resolution to the extent such investment income is transferred to Purchaser's Revenue Fund established under Purchaser's Master Resolution; *provided, however*, that Revenues shall not include any income, fees, charges, receipts, profits or other moneys derived by Purchaser from its ownership or operation of any separate non-competing utility or system which Purchaser elects to finance, acquire, construct and operation as a separate utility or system in accordance with Purchaser's Master Resolution.

"Voided Remarketing Election Notice" has the meaning specified in Section 3.4(b).

Section 1.2 Definitions; Interpretation. References to "Articles", "Attachments", "Sections", "Schedules" and "Exhibits" shall be to Articles, Attachments, Sections, Schedules and Exhibits, as the case may be, of this Agreement unless otherwise specifically provided. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose or be given any substantive effect. Any of the terms defined herein may, unless the context otherwise requires, be used in the singular or the plural, depending on the reference. The use herein of the word "include" or "including", when following any general statement, term or matter, shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not nonlimiting language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that fall within the broadest possible scope of such general statement, term or matter. Any reference herein to any agreement or document includes all amendments, supplements or restatements to and of such agreement or document as may occur from time to time.

ARTICLE II
EXECUTION DATE AND DELIVERY PERIOD; NATURE OF COMMODITY PROJECT

Section 2.1 Execution Date; Delivery Period. Unless this Agreement is terminated pursuant to Article XVII, delivery of Commodities under this Agreement shall commence and continue for the Delivery Period.

Section 2.2 Nature of Commodity Project. Purchaser acknowledges and agrees that Issuer will meet its obligations to provide Commodities to Purchaser under this Agreement exclusively through its purchase of long-term supplies of Commodities from Prepay LLC pursuant to the Commodity Project and that Issuer is financing its purchase of such long-term supplies of Commodities through the issuance of the Bonds.

Section 2.3 Pledge of this Agreement. Purchaser acknowledges and agrees that Issuer will pledge its right, title and interest under this Agreement and the revenues to be received under this Agreement to secure Issuer's obligations under the Bond Indenture.

ARTICLE III
SALE AND PURCHASE

Section 3.1 Sale and Purchase of Commodities.

(a) On each Gas Day during the Gas Delivery Period, Issuer agrees to sell and deliver or cause to be delivered to Purchaser, and Purchaser agrees to purchase and take or cause to be taken from Issuer, in each case, on a Firm basis, the Contract Quantity of Gas pursuant to the terms and conditions set forth in this Agreement, including the limitations set forth herein relating to any portion of the Contract Quantity of Gas for which a Gas Assignment Agreement is in effect.

(b) During each Hour during the Electricity Delivery Period, Issuer agrees to sell and deliver or cause to be delivered to Purchaser, and Purchaser agrees to purchase and take or cause to be taken from Issuer, in each case, on a Firm (LD) basis, the Hourly Quantity of Electricity, if any, pursuant to the terms and conditions set forth in this Agreement. Additionally, during each Month of the Electricity Delivery Period, Issuer agrees to sell and deliver or cause to be delivered to Purchaser, and Purchaser agrees to purchase and take or cause to be taken from Issuer the Assigned Prepay Quantity, if any, of Electricity subject to the terms and conditions of this Agreement including the limitations set forth herein relating to any portion of the Contract Quantity of Electricity for which a PPA Assignment Agreement is in effect.

Section 3.2 Pricing.

(a) For each MMBtu of Gas and MWh of Electricity (as applicable) delivered to Purchaser at the Delivery Point, Purchaser shall pay Issuer the applicable Contract Price.

(b) The Contract Price for Assigned Electricity is inclusive of any amounts due in respect of Assigned RECs and any other Assigned Product.

(c) In addition to the Monthly Discount Percentage applicable to deliveries of the Contract Quantities to Purchaser hereunder, Issuer shall provide such Annual Refund to Purchaser as may be available for distribution by Issuer pursuant to Section 5.11(b) of the Bond Indenture. Such Annual Refund, if any, shall be credited to the next amount due from Purchaser following the release of funds for such purpose to Issuer under the terms of the Bond Indenture. In determining the amount of such Annual Refund, if any, to be paid to Purchaser, Issuer may reserve such funds as may be required under the terms of the Bond Indenture or as Issuer deems reasonably necessary and appropriate, including but not limited to amounts required to fund or maintain the Minimum Discount Percentage for any future Reset Period, to fund or maintain any rate stabilization or working capital reserve, to reserve or account for unfunded liabilities and expenses, including future sinking fund or other principal amortization of the Bonds, or for other costs of the Commodity Project. After reserving such funds, Issuer shall allocate such refund to Purchaser.

Section 3.3 Switch Date to Commence Electricity Deliveries; Assignment of Agreements. On the Switch Date, deliveries of Gas hereunder will cease, and deliveries of Electricity will commence. Issuer has the right under the Prepaid Agreement to designate the Switch Date and modify a previously designated Switch Date to a later date by delivering written notice to Prepay LLC, *provided* that (i) the Switch Date may occur no earlier than [____], 20[_], (ii) the Switch Date must begin on the first day of a Month that commences not earlier than twelve

(12) Months after such notice is delivered, (iii) any notice modifying a previously designated Switch Date must be delivered no later than twelve Months prior to the date the Switch Date otherwise would have occurred, and (iv) the Switch Date may be modified to an earlier date only once but may be modified to a later date from time to time subject to the other requirements set forth herein. Purchaser shall have the right to require Issuer to modify the Switch Date in accordance with the Prepaid Agreement, and Issuer agrees that it shall act only at the direction of Purchaser in making any elections regarding the Switch Date.

Section 3.4 Reset Period Remarketing.

(a) Reset Period Notice. For each Reset Period, Issuer shall provide to Purchaser, at least ten (10) days prior to the Remarketing Election Deadline, formal written notice setting forth (i) the duration of such Reset Period, (ii) the [Estimated Available Discount Percentage] (as defined in the Re-Pricing Agreement) for such Reset Period, and (iii) the applicable Remarketing Election Deadline (a "Reset Period Notice"). Issuer may thereafter update such notice at any time prior to the Remarketing Election Deadline and may extend the Remarketing Election Deadline in its sole discretion in any such update.

(b) Remarketing Election. If the Reset Period Notice (or any update thereto) indicates that the Available Discount Percentage in such notice is not at least equal to the Minimum Discount Percentage for that Reset Period, then: (i) a "Potential Remarketing Event" shall be deemed to exist, and (ii) Purchaser may, not later than the Remarketing Election Deadline, issue a written notice in the form attached hereto as Exhibit C (a "Remarketing Election Notice") to Issuer, Prepay LLC and the Trustee electing for all of Purchaser's Commodities that would otherwise be delivered hereunder to be remarketed during the applicable Reset Period; *provided*, however, if the actual Available Discount Percentage, as finally determined under the Re-Pricing Agreement, is equal to or greater than the Minimum Discount Percentage, then Issuer may, in its sole discretion, elect by written notice to Purchaser to treat such Remarketing Election Notice as void (a "Voided Remarketing Election Notice"). If Purchaser issues a valid Remarketing Election Notice (other than a Voided Remarketing Election Notice), then Purchaser shall have no obligations to purchase and take any Commodities hereunder or right to receive any Annual Refund attributable to the applicable Reset Period.

(c) Final Determination of Available Discount Percentage. The Parties acknowledge and agree that the final Available Discount Percentage for any Reset Period following the Current Reset Period will be determined on the applicable [Re-Pricing Date] (as defined in the Re-Pricing Agreement), and that such Available Discount Percentage may differ from any Estimated Available Discount Percentage provided to Purchaser prior to the applicable Remarketing Election Deadline; *provided* that the Available Discount Percentage for any Reset Period will not be less than the lesser of (i) the last [Estimated Available Discount Percentage] (as defined in the Re-Pricing Agreement) set forth in the Reset Period Notice (or any update thereof) sent by Issuer prior to the applicable Remarketing Election Deadline for such Reset Period, and (ii) the Minimum Discount Percentage applicable to such Reset Period.

(d) Resumption of Deliveries. Notwithstanding the issuance of any Remarketing Election Notice for a Reset Period, Purchaser will remain obligated to purchase the

Contract Quantities hereunder for each subsequent Reset Period, unless Purchaser issues a new valid Remarketing Election Notice (other than a Voided Remarketing Election Notice) for any such Reset Period in accordance with Section 3.4(d).

(e) Reduction of Contract Quantity. The Parties recognize and agree that the Contract Quantity may be reduced in a Reset Period pursuant to the re-pricing methodology described in the Re-Pricing Agreement if necessary to achieve a successful remarketing of the Bonds. The Parties agree further that if, pursuant to the Re-Pricing Agreement, Issuer and the [Calculation Agent] (as defined therein) determine in connection with the establishment of any new Reset Period that: (i) such Reset Period will be the final Reset Period and (ii) such Reset Period will end prior to the end of the original Delivery Period, then (A) Issuer will notify Purchaser, (B) the Delivery Period will be deemed to be modified so that it ends at the end of such Reset Period, and (C) the Contract Quantity for the last Month in such Reset Period may be reduced as provided in the Re-Pricing Agreement.

Section 3.5 Limited Obligation to Take Hourly Quantities. Notwithstanding anything to the contrary in this Agreement (including Section 3.1(b)), Purchaser shall not be required to purchase and take any Hourly Quantities hereunder, and Issuer, with respect to any Hourly Quantities that otherwise would be delivered hereunder, shall cause Prepay LLC to remarket such Hourly Quantities pursuant to the provisions of Exhibit C to the Prepaid Agreement.

ARTICLE IV
FAILURE TO DELIVER OR TAKE COMMODITIES

Section 4.1 Issuer's Failure to Deliver the Contract Quantity (Not Due to Force Majeure).

(a) If, on any Gas Day during the Gas Delivery Period or for any Delivery Hour during the Electricity Delivery Period, Issuer breaches its obligation to deliver all or any portion of the Contract Quantity at any Delivery Point pursuant to the terms of this Agreement, then the portion of the Contract Quantity that Issuer failed to deliver shall be a "Shortfall Quantity" and Purchaser shall exercise Commercially Reasonable Efforts to purchase Replacement Gas (during the Gas Delivery Period) or Replacement Electricity (during the Electricity Delivery Period).

(b) To the extent Purchaser actually purchases Replacement Gas (during the Gas Delivery Period) or Replacement Electricity (during the Electricity Delivery Period) with respect to any Shortfall Quantity, then Issuer shall pay to Purchaser the result determined by the following formula:

$$P = Q \times (RP - CP + AF)$$

Where:

P = The amount payable by Issuer under this Section 4.1(b);

Q = The quantity of Replacement Gas or Replacement Electricity Purchased;

RP = The Replacement Gas Price or Replacement Electricity Price, as applicable;

CP = The Contract Price that would have applied to such Commodity; and

AF = The Administrative Fee.

(c) Purchaser shall monitor nominations and deliveries of Commodities to be delivered to Purchaser at each Delivery Point and shall promptly notify Issuer upon becoming aware that such nominations or deliveries might result in a Shortfall Quantity with respect to such Delivery Point.

(d) Purchaser shall exercise Commercially Reasonable Efforts to mitigate Issuer's damages paid hereunder; *provided* that, such Commercially Reasonable Efforts shall not require Purchaser to utilize or change its utilization of its owned or controlled assets or market positions to minimize Issuer's liability.

(e) Imbalance Charges for Gas shall not be recovered under this Section 4.1, but rather in accordance with Section 5.5.

Section 4.2 Purchaser's Failure to Take the Contract Quantity (Not Due to Force Majeure). If, on any Gas Day during the Gas Delivery Period or for any Delivery Hour during the Electricity Delivery Period, Purchaser breaches its obligation to take all or any portion of the Contract Quantity at any Delivery Point pursuant to the terms of this Agreement, then Purchaser shall remain obligated to pay Issuer the Contract Price for the Contract Quantity. Issuer shall credit to Purchaser's account any net revenues Issuer may receive from Prepay LLC under the Prepaid Agreement in connection with the ultimate sale of any such Commodities by Prepay LLC to other Municipal Utilities, up to the Contract Price.

Section 4.3 Sole Remedies. Except with respect to the payment of Imbalance Charges pursuant to Section 5.5, the remedies set forth in this Article IV shall be each Party's sole and exclusive remedies for any failure by the other Party to deliver or take Commodities, as applicable, pursuant to this Agreement.

Section 4.4 Limitations. Notwithstanding anything herein to the contrary, neither Party shall have any liability or other obligation to the other under this Article IV with respect to a failure to take or deliver any portion of the Contract Quantity for which a Gas Assignment Agreement or a PPA Assignment Agreement is in effect.

ARTICLE V
TRANSPORTATION AND DELIVERY; COMMUNICATIONS

Section 5.1 Delivery Point.

(a) All Gas delivered under this Agreement shall be delivered and received (i) at the delivery point specified in Exhibit A (the "Primary Gas Delivery Point"), or (ii) to any other point (an "Alternate Gas Delivery Point") that has been mutually agreed by Purchaser and Issuer (the Primary Gas Delivery Point or Alternate Gas Delivery Point, if specified, each being a "Gas Delivery Point").

(b) The Daily Index Price for each Alternate Gas Delivery Point, as applicable, shall be the price mutually agreed and identified by the Parties, or if no such price is identified for such Alternate Gas Delivery Point, the price shall be the Monthly Index Price for such Alternate Gas Delivery Point, as applicable, specified in Exhibit A for the Primary Gas Delivery Point from which quantities are being shifted to such Alternate Gas Delivery Point. The Parties shall update Exhibit A upon any change to the terms thereof, including particularly as a result of any update to the Delivery Point Premium consistent with the terms of this Agreement.

(c) All Electricity delivered under this Agreement shall be Scheduled (i) at the delivery point set forth in Exhibit A (the "Primary Electricity Delivery Point"), (ii) to any other point (an "Alternate Electricity Delivery Point") that has been mutually agreed by Purchaser and Issuer, or (iii) any applicable Assigned Delivery Point specified in an Assignment Schedule with respect to Assigned Electricity (the Primary Electricity Delivery Point, Alternate Electricity Delivery Point or Assigned Delivery Point, if specified, each being an "Electricity Delivery Point").

(d) The Day-Ahead Market Price for each Alternate Electricity Delivery Point, as applicable, shall be the price mutually agreed and identified by the Parties, or if no such price is identified for such Alternate Electricity Delivery Point, the price shall be the Day-Ahead Market Price for such Alternate Electricity Delivery Point, as applicable, specified in Exhibit A for the Primary Electricity Delivery Point from which quantities are being shifted to such Alternate Electricity Delivery Point.

Section 5.2 Responsibility for Transportation; Permits.

(a) Gas.

(i) Issuer shall obtain or cause to be obtained and pay for or cause payment to be made for all processing, gathering, and transportation necessary for delivery of the Contract Quantity to each Delivery Point. Purchaser shall obtain or cause to be obtained and pay for or cause payment to be made for all transportation necessary to receive the Contract Quantity at each Delivery Point and to transport the Contract Quantity from each Delivery Point.

(ii) Should either Party receive an operational flow order or other order or notice from a Transporter requiring action to be taken in connection with the Gas flowing under this Agreement (a "Critical Notice"), such Party shall notify or cause the notification of the other Party of the Critical Notice and provide or cause to be provided to the other Party a copy of same by electronic mail, or facsimile if requested, within a Commercially Reasonable timeframe. The

Parties shall exercise Commercially Reasonable Efforts required by the Critical Notice within the time prescribed by the applicable Transporter. Each Party shall, in accordance with the procedures set forth in Section 18.1, indemnify, defend and hold harmless the other Party from any Claims associated with any Critical Notice (i) of which the indemnifying Party failed to give the indemnified Party the notice required under this Agreement or (ii) under which the indemnifying Party failed to take the action required by the Critical Notice within the time prescribed; *provided* that the notice from the indemnified Party was timely delivered.

(b) Electricity. Issuer shall arrange and be responsible for transmission service of Hourly Quantity to the Delivery Point and shall Schedule or arrange for Scheduling services with its Transmission Providers, to deliver Electricity to the Delivery Point. Purchaser shall arrange and be responsible for transmission service at and from the Delivery Point and shall Schedule or arrange for Scheduling services with its Transmission Providers to receive Electricity at the Delivery Point.

Section 5.3 Title and Risk of Loss.

(a) Title to Commodities delivered under this Agreement and risk of loss shall pass from Issuer to Purchaser at the Delivery Point; *provided* that the transfer of title and risk of loss for all Assigned Gas and Assigned Electricity shall be in accordance with the applicable Gas Assignment Agreement or PPA Assignment Agreement while any such assignment agreement is in effect; *provided* furthermore that, notwithstanding anything to the contrary herein, no indemnity obligations shall apply as between the Parties with respect to any [Assigned Product] or [Assigned Gas].

(b) With respect to Gas, as between the Parties, Issuer shall be deemed to be in exclusive control and possession of the Gas delivered under this Agreement, and responsible for any damage or injury caused thereby, prior to the time such Gas has been delivered to Purchaser at the Delivery Point. After delivery of Gas to Purchaser at the Delivery Point, Purchaser shall be deemed to be in exclusive control and possession thereof and responsible for any injury or damage caused thereby. Each Party (each, an "Indemnifying Party") assumes all liability for and, subject to the provisions of Section 18.1, shall indemnify, defend and hold harmless the other Party from any Claims, including death of Persons, arising from any act or incident occurring when title to Gas is vested in the Indemnifying Party.

Section 5.4 Daily Flow Rates. For Gas other than any portion of the Contract Quantity of Gas for which a Gas Assignment Agreement is in effect, for which flow rates will be addressed in the applicable Gas Assignment Agreement, Issuer shall nominate, Schedule and deliver, and Purchaser shall nominate, Schedule and take, the Contract Quantity of Gas during the Gas Delivery Period at each Delivery Point in accordance with standard Firm service requirements of the Receiving Transporter and Delivering Transporter at such Delivery Point, unless otherwise agreed by the Parties; *provided* that, for the avoidance of doubt, neither Party in any case shall be obligated to incur additional costs by procuring additional services, running imbalances or taking any other actions to accommodate non-standard scheduling requirements of the other Party.

Section 5.5 Imbalances. The Parties shall use Commercially Reasonable Efforts to avoid the imposition of any Imbalance Charges. If Purchaser or Issuer receives an invoice from a Transporter that includes Imbalance Charges related to the obligations of either Party under this Agreement, the Parties shall determine the validity as well as the cause of such Imbalance Charges. If the Imbalance Charges were incurred as a result of Purchaser's taking of quantities of Gas greater than or less than the Contract Quantity at any Delivery Point, then Purchaser shall pay for such Imbalance Charges or reimburse Issuer for such Imbalance Charges paid by Issuer. If the Imbalance Charges were incurred as a result of Issuer's delivery of quantities of Gas greater than or less than the Contract Quantities at any Delivery Point, then Issuer shall pay for such Imbalance Charges or reimburse Purchaser for such Imbalance Charges paid by Purchaser. Additionally, notwithstanding anything to the contrary in this Section 5.5, neither Party shall have liability under this Agreement for Imbalance Charges in respect of any Gas required to be Scheduled or delivered under an LAA Upstream Supply Contract.

Section 5.6 Communications Protocol. Purchaser and Issuer shall comply with the communications protocols set forth in Exhibit G-1 for Gas deliveries and Exhibit G-2 for Electricity deliveries; *provided* that, for any portion of the Contract Quantity for which a Gas Assignment Agreement or a PPA Assignment Agreement is in effect, Scheduling and shall be in accordance with the applicable assignment agreement.

Section 5.7 Gas Quality and Measurement. Purchaser shall not be required to accept Gas delivered by Issuer that does not meet the pressure, quality and heat content requirements of the Receiving Transporter as detailed in the applicable pipeline tariff. Purchaser's sole and exclusive remedy against Issuer with respect to any Gas that fails to meet such pressure, quality and heat content requirements shall be the right to reject such non-conforming Gas and to receive payment under Article IV. If such rejected Gas meets the pressure, quality and heat content requirements of the Delivering Transporter, but does not meet such requirements of the Receiving Transporter, any such rejection by Purchaser and failure to deliver by Issuer shall be deemed to be excused by Force Majeure. For the avoidance of doubt, the provisions of Article XI shall apply to any such event of Force Majeure. If such rejected Gas does not meet such requirements of either the Receiving Transporter or the Delivering Transporter, Issuer shall be deemed to have failed to deliver any such Gas that is properly rejected. With respect to any measurement of Gas delivered or received under this Agreement at any Delivery Point, the measurement of such Gas (including the definition of Btu used in making such measurement) by the operator of such Delivery Point shall be deemed to be conclusive; *provided*, however, if the operator of such Delivery Point revises its measurement statements for Gas, such revision shall be effective as the measurement of Gas for the purposes of this Agreement and may be corrected pursuant to Section 14.5. Notwithstanding the foregoing, but without prejudice to any right of Purchaser to reject Assigned Gas under and as defined in a Gas Assignment Agreement, measurement of Assigned Gas shall be as set forth in the applicable LAA Upstream Supply Contract and Issuer shall not have any liability for the failure of any Assigned Gas to meet any applicable quality requirements.

Section 5.8 Limitations. Notwithstanding anything to the contrary herein, neither Party shall have any liability under this Article V with respect to any portion of the Contract Quantity for which a Gas Assignment Agreement or a PPA Assignment Agreement is in effect.

ARTICLE VI
GAS ASSIGNMENT AGREEMENTS

Purchaser may assign and J. Aron may agree to assume a portion of Purchaser's rights and obligations under a gas supply agreement pursuant to a Gas Assignment Agreement consistent with the terms set forth in Exhibit G-1.

ARTICLE VII
USE OF COMMODITIES

Section 7.1 Tax Exempt Status of the Bonds. Purchaser acknowledges that the Bonds will be issued with the intention that the interest thereon will be exempt from federal taxes under Section 103 of the Code. Accordingly, Purchaser agrees that it will (a) provide such information with respect to its System as may be requested by Issuer in order to establish the tax-exempt status of the Bonds, and (b) act in accordance with such written instructions as Issuer may provide from time to time in order to maintain the tax-exempt status of the Bonds. Purchaser further agrees that it will not at any time take any action, or fail to take any action, that would adversely affect the tax-exempt status of the Bonds.

Section 7.2 Priority Commodities. Purchaser agrees to take the Contract Quantities to be delivered under this Agreement (a) in priority over and in preference to all other Commodities available to Purchaser that are not Priority Commodities; and (b) on at least a *pari passu* and non-discriminatory basis with other Priority Commodities.

Section 7.3 Assistance with Sales to Third Parties.

(a) If, notwithstanding Purchaser's compliance with Section 7.1, (i) Purchaser does not require or is unable to receive all or any portion of the Contract Quantity that it is obligated to purchase under this Agreement as a result of (A) decreased Gas requirements due to reduced generation requirements during the Gas Delivery Period, (B) decreased demand by Purchaser's retail customers or (C) a change in Law or (ii) Issuer is required under Section 3.5 to cause Hourly Quantities that otherwise would be delivered hereunder to be remarketed, Purchaser may request (and in the case of clause (ii) shall be deemed to request) for Issuer to use Commercially Reasonable Efforts, to the extent permitted in the Prepaid Agreement, to arrange for the sale of such quantities by Prepay LLC (I) to another Municipal Utility, or (II) if necessary, to another purchaser; *provided* that any remarketing notice issued under clause (i)(C) above shall constitute a [Structural Remarketing Notice] (as defined in the Prepaid Agreement) and shall be subject to the requirements set forth in the Prepaid Agreement. With respect to any remarketing pursuant to clause (i) above, Purchaser shall remain obligated to pay Issuer the Contract Price for any portion of the Contract Quantity for which it requests remarketing pursuant to this Section 7.3, *provided* that, if Issuer succeeds in arranging such a sale by Prepay LLC, Issuer shall credit against the amount owed by Purchaser for such Contract Quantities the amount received by Issuer from Prepay LLC for such sales less all directly incurred costs or expenses, including but not limited to remarketing administrative charges paid to Prepay LLC under the Prepaid Agreement, but in no event shall the amount of such credit be more than the Contract Price.

(b) To the extent that all or any portion of Assigned Prepay Quantities or Hourly Quantities are remarketed under Section 7.3(a), Section 7.5 or under any other circumstances specified for remarketing in the Prepaid Agreement, as applicable, and any such remarketing results in a Ledger Entry (as defined in the Prepaid Agreement), Purchaser agrees that it shall (i) exercise Commercially Reasonable Efforts to use an amount equivalent to the remarketing proceeds associated with any such Ledger Entry to purchase Non-Priority Commodities and use such Non-Priority Commodities in compliance with the Qualifying Use Requirements in order to remediate such Ledger Entries; and (ii) apply its purchases of Non-Priority Commodities to remediate any such proceeds under the Prepaid Agreement on *a pari* passu basis and non-discriminatory basis with any other contract that provides for the purchase of Priority Commodities. To track compliance with Purchaser's obligations under this Section 7.3(b), Purchaser shall deliver a remediation certificate in the form attached as Exhibit I to Issuer and Prepay LLC by the last day of the Month subsequent to any relevant Non-Priority Commodities purchases.

Section 7.4 Qualifying Use. Without limiting Purchaser's other obligations under this Article VII, Purchaser agrees that, subject to Section 7.5, it will use all of the Commodities purchased under this Agreement in compliance with the Qualifying Use Requirements. Purchaser agrees that it will provide such additional information, records and certificates as Issuer may reasonably request to confirm Purchaser's compliance with this Section 7.4.

Section 7.5 Remediation. The Parties acknowledge that Purchaser may at times need to remarket, or may inadvertently remarket, Commodities received hereunder in a manner that does not comply with Qualifying Use Requirements due to daily and hourly fluctuations in Purchaser's Commodity needs. To the extent Purchaser does so, Purchaser shall (a) exercise Commercially Reasonable Efforts to use any Disqualified Sale Proceeds of such remarketing to purchase Commodities (other than Priority Commodities) that Purchaser uses in compliance with the Qualifying Use Requirements (and, to evidence any such qualifying purchase, Purchaser shall deliver a remediation certificate in the form attached as Exhibit I to Issuer and Prepay LLC) and (b) reserve funds in an amount equal to any Disqualified Sale Proceeds until such Disqualified Sale Proceeds are remediated or transferred to the Trustee pursuant to Section 7.6(c).

Section 7.6 Semi-Annual Report; Ledger Entries; Redemption.

(a) To track compliance with the requirements of Section 7.5, Purchaser will provide a semi-annual report to Issuer (delivered not later than the fifteenth (15^{th}) day of each April and October until the end of the Delivery Period) showing the following (each, a "Semi-Annual Report"): the total quantity of proceeds from sales of Commodities received hereunder that (i) were sold by Purchaser to any Person other than a Municipal Utility and (ii) have not been remediated by Purchaser by applying such proceeds to purchase Gas or Electricity that is used in compliance with the Qualifying Use Requirements (such portion as units, "Disqualified Sale Units" and such portion as value received, "Disqualified Sale Proceeds");

(b) Issuer will cause such unremediated Disqualified Sale Proceeds and the associated Disqualified Sale Units to be added to the appropriate remarketing ledgers maintained

by Prepay LLC under the Prepaid Agreement, with the ledgers entries dated as of the end of the first month of the relevant six (6) Month period; and

(c) Purchaser shall transfer (to the extent such unremediated Disqualified Sales Proceeds and associated Disqualified Sale Units remain reflected on the appropriate remarketing ledgers under Section 7.6(a) at the time such transfer is required by this Section 7.6(c)) any such unremediated Disqualified Sale Proceeds and any other required funds (i.e., all additional funds necessary for the redemption of Bonds as described below) to the Trustee at least 95 days prior to the second anniversary of the date on which such unremediated Disqualified Sale Proceeds and the associated Disqualified Sale Units were reflected on the appropriate remarketing ledgers under (a) above, with such funds to be deposited in the Debt Service Account (as defined in the Bond Indenture) and applied to the redemption of Bonds as directed by Issuer and approved by Special Tax Counsel (as defined in the Bond Indenture) as preserving the tax-exempt status of the Bonds.

ARTICLE VIII
REPRESENTATIONS AND WARRANTIES; ADDITIONAL COVENANTS

Section 8.1 Representations and Warranties of Issuer. As a material inducement to entering into this Agreement, each Party, with respect to itself, hereby represents and warrants to the other Party as of the Execution Date as follows:

(a) For Issuer as the representing Party, Issuer is a joint powers authority, duly formed and validly existing under the Laws of the State of California;

(b) For Purchaser as the representing Party, Purchaser is an irrigation district duly formed and validly existing under the Laws of the State of California;

(c) it has all requisite power and authority to conduct its business, to own its properties and to execute, deliver and perform its obligations under this Agreement;

(d) there is no pending litigation, action, suit or proceeding or, to the best of such Party's knowledge, (i) pending investigation or (ii) threatened litigation, action, suit or proceeding, in each case, before or by any Government Agency, and, in each case, wherein an unfavorable decision, ruling or finding could reasonably be expected to materially and adversely affect the performance by such Party of its obligations under this Agreement or that questions the validity, binding effect or enforceability of this Agreement, or contesting any action taken or to be taken by such Party pursuant to this Agreement, or any of the transactions contemplated hereby;

(e) the execution, delivery and performance of this Agreement by such Party have been duly authorized by all necessary action on the part of such Party and its governing body and do not require any approval or consent of any security holder of such Party or any holder (or any trustee for any holder) of any indebtedness or other obligation of such Party;

(f) this Agreement has been duly executed and delivered on behalf of such Party by an appropriate officer or authorized Person of such Party and constitutes the legal, valid and binding obligation of such Party, enforceable against it in accordance with its terms, as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium,

fraudulent conveyance and similar Laws affecting creditors' rights generally, by general principles of equity and by limitations on legal remedies against public agencies in the State of California;

(g) the execution, delivery and performance by such Party of this Agreement, and the consummation of the transactions contemplated hereby, including the incurrence by such Party of its financial obligations under this Agreement, shall not result in any violation of any term of any material contract or agreement applicable to it, or any of its charter or bylaws or of any license, permit, franchise, judgment, writ, injunction or regulation, decree, order, charter, Law, ordinance, rule or regulation applicable to it or any of its properties or to any obligations incurred by it or by which it or any of its properties or obligations are bound or affected, or of any determination or award of any arbitrator applicable to it, and shall not conflict with, or cause a breach of, or default under, any such term, in any case, which in any material way, directly or indirectly, affects the validity of this Agreement or the due performance by such Party of its obligations contained herein, or result in the creation of any lien upon any of its properties or assets, except with respect to Issuer, the lien of the Bond Indenture and as otherwise contemplated by the Bond Indenture and the Receivables Purchase Provisions (as defined in the Bond Indenture);

(h) to the best of the knowledge and belief of such Party, no consent, approval, order or authorization of, or registration, declaration or filing with, or giving of notice to, obtaining of any license or permit from, or taking of any other action with respect to, any Government Agency is required in connection with the valid authorization, execution, delivery and performance by such Party of this Agreement or the consummation of any of the transactions contemplated hereby other than those that have been obtained; and

(i) it enters this Agreement as a bona-fide, arm's-length transaction involving the mutual exchange of consideration and, once executed by both Parties, considers this Agreement a legally enforceable contract.

Section 8.2 Warranty of Title. Issuer warrants that it will have the right to convey and will transfer good and merchantable title to all Gas sold under this Agreement and delivered by it to Purchaser, free and clear of all liens, encumbrances, and claims, *provided* that with respect to any portion of the Contract Quantity of Gas for which a Gas Assignment Agreement is in effect, this warranty is limited to any liens, encumbrances and claims created by, through or under Issuer or Prepay LLC.

Section 8.3 Disclaimer of Warranties. EXCEPT FOR THE WARRANTIES EXPRESSLY MADE BY ISSUER IN THIS ARTICLE VIII, ISSUER HEREBY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Section 8.4 Continuing Disclosure.

(a) Purchaser agrees (i) to provide to Issuer such financial and operating information as may be reasonably requested by Issuer including its most recent audited financial statements for use in Issuer's offering documents for the Bonds; and (ii) to enter into a continuing disclosure agreement in connection with the issuance of the Bonds by the Issuer to provide annual updates to

such Purchaser information as specified therein and its annual audited financial statements to enable Issuer to comply with its continuing disclosure undertakings under Rule 15(c)2-12 of the United States Securities and Exchange Commission.

(b) Failure by Purchaser to comply with its agreement to provide such information as provided in this Section 8.4 shall not be a default under this Agreement, and the sole remedy in the event of any failure of Purchaser to comply with this Section 8.4 shall be an action to compel performance; provided, however, that any such action may be instituted only in the Superior Court of the State of California in and for the County of Stanislaus or in the U.S. District Court in or nearest to such County.

ARTICLE IX
TAXES

Issuer shall (i) be responsible for all ad valorem, excise, severance, production and other taxes assessed with respect to Commodities (other than any portion of the Contract Quantity for which a Gas Assignment Agreement or a PPA Assignment is in effect) delivered pursuant to this Agreement upstream of the Delivery Point, and (ii) indemnify Purchaser for any such taxes paid by Purchaser. Purchaser shall (i) be responsible for all such taxes assessed at or downstream of the Delivery Point, and (ii) indemnify Issuer for any such taxes paid by Issuer.

ARTICLE X
JURISDICTION; WAIVER OF JURY TRIAL

Section 10.1 Consent to Jurisdiction. ALL JUDICIAL PROCEEDINGS BROUGHT AGAINST EITHER PARTY ARISING OUT OF OR RELATING HERETO SHALL BE BROUGHT EXCLUSIVELY IN (A) THE COURTS OF THE STATE OF CALIFONIA, OR (B) THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA FOR THE EASTERN DISTRICT OF CALIFORNIA. BY EXECUTING AND DELIVERING THIS AGREEMENT, EACH PARTY AGREES THAT SERVICE OF ALL PROCESS IN ANY SUCH PROCEEDING IN ANY SUCH COURT MAY BE MADE BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE PARTY AT ITS ADDRESS PROVIDED IN ACCORDANCE WITH ARTICLE XVI; AND AGREES THAT SERVICE AS PROVIDED ABOVE IS SUFFICIENT TO CONFER PERSONAL JURISDICTION OVER THE PARTY IN ANY SUCH PROCEEDING IN ANY SUCH COURT, AND OTHERWISE CONSTITUTES EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT.

Section 10.2 Waiver of Jury Trial. TO THE EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HEREBY AGREES TO WAIVE ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING UNDER THIS AGREEMENT. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS AGREEMENT, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH PARTY ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS

RELATIONSHIP, THAT EACH HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN ITS RELATED FUTURE DEALINGS. EACH PARTY FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 10.2 AND EXECUTED BY EACH OF THE PARTIES), AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS HERETO. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY A COURT.

ARTICLE XI
FORCE MAJEURE

Section 11.1 Applicability of Force Majeure. To the extent either Party is prevented by Force Majeure from carrying out, in whole or part, its obligations under this Agreement and such Party (the "Claiming Party") gives notice and details of the Force Majeure to the other Party as soon as practicable, then the Claiming Party shall be excused from the performance of its obligations with respect to this Agreement (other than the obligation to make payments then due or becoming due with respect to performance prior to the Force Majeure). The Claiming Party shall mitigate the Force Majeure with all reasonable dispatch. For the duration of the Claiming Party's non-performance (and only for such period), the non-Claiming Party shall not be required to perform or resume performance of its obligations to the Claiming Party corresponding to the obligations of the Claiming Party excused by Force Majeure.

Section 11.2 Settlement of Labor Disputes. Notwithstanding anything to the contrary herein, the Parties agree that the settlement of strikes, lockouts or other industrial disturbances shall be within the sole discretion of the Party experiencing such disturbance, and the failure of a Party to settle such strikes, lockouts or other industrial disturbances shall not prevent the existence of Force Majeure or of reasonable dispatch to remedy the same.

ARTICLE XII
GOVERNMENTAL RULES AND REGULATIONS

Section 12.1 Compliance with Laws. This Agreement shall be subject to all present and future Laws of any Government Agency having jurisdiction, and neither Party has knowingly undertaken or will knowingly undertake or knowingly cause to be undertaken any activity that would conflict with such Laws; *provided*, however, that nothing herein shall be construed to restrict or limit either Party's right to object to or contest any such Law, or its application to this Agreement or the transactions undertaken hereunder, and neither acquiescence therein or compliance therewith for any period of time shall be construed as a waiver of such right.

Section 12.2 Contests. Excluding all matters involving a contractual dispute between the Parties, no Party shall contest, cause to be contested or in any way actively support the contest of

the equity, fairness, reasonableness or lawfulness of any terms or conditions set forth or established pursuant to this Agreement, as those terms or conditions may be at issue before any Government Agency in any proceeding, if the successful result of such contest would be to preclude or excuse the performance of this Agreement by either Party.

Section 12.3 Defense of Agreement. Excluding all matters involving a contractual dispute between the Parties, each Party shall hereafter defend and support this Agreement before any Government Agency in any proceeding, if the substance, validity or enforceability of all or any part of this Agreement is hereafter directly challenged or if any proposed changes in regulatory practices or procedures would have the effect of making this Agreement invalid or unenforceable or would subject either Party to any greater or different regulation or jurisdiction that materially affects the rights or obligations of the Parties under this Agreement.

ARTICLE XIII
ASSIGNMENT

The terms and provisions of this Agreement shall extend to and be binding upon the Parties and their respective successors, assigns, and legal representatives; *provided*, however, that, subject to Section 18.14, neither Party may assign this Agreement or its rights and interests, in whole or in part, under this Agreement without the prior written consent of the other Party; *provided* furthermore that, for the avoidance of doubt, any applicable Gas Assignment Agreement or PPA Assignment Agreement shall terminate concurrent with the assignment of this Agreement. Prior to assigning this Agreement, Purchaser shall deliver to Issuer (i) written confirmation from each of the Applicable Rating Agencies; *provided* that such agency has rated and continues to rate the Bonds, that the assignment will not result in a reduction, qualification, or withdrawal of the then-current ratings assigned by the Applicable Rating Agencies to the Bonds; or (ii) written confirmation from each of the Applicable Rating Agencies, that the assignee has an outstanding long-term senior, unsecured, unenhanced debt rating equivalent to or higher than the ratings assigned by the Applicable Rating Agencies to the Bonds. Whenever an assignment or a transfer of a Party's interest in this Agreement is requested to be made with the written consent of the other Party, the assigning or transferring Party's assignee or transferee shall expressly agree to assume, in writing, the duties and obligations under this Agreement of the assigning or transferring Party. Upon the agreement of a Party to any such assignment or transfer, the assigning or transferring Party shall furnish or cause to be furnished to the other Party a true and correct copy of such assignment or transfer and assumption of duties and obligations.

ARTICLE XIV
PAYMENTS

Section 14.1 Monthly Statements.

(a) No later than the 5th day of each Month during the Delivery Period (excluding the first Month of the Delivery Period) and the first Month following the end of the Delivery Period, Purchaser shall deliver to Issuer a statement (a "Purchaser's Statement") listing (i) for each purchase of Replacement Gas or Replacement Electricity, the quantity and replacement

price applicable to such purchase, and (ii) any other amounts due to Purchaser in connection with this Agreement with respect to the prior Month(s).

(b) No later than the 10th day of each Month during the Delivery Period (excluding the first Month of the Delivery Period) and the first Month following the end of the Delivery Period (the "Billing Date"), Issuer shall deliver a statement (a "Billing Statement") to Purchaser indicating (i) the total amount due to Issuer for Commodities delivered in the prior Month, (ii) any other amounts due to Issuer or Purchaser in connection with this Agreement with respect to the prior Month(s), and (iii) the net amount due to Issuer or Purchaser. If the actual quantity delivered is not known by the Billing Date, Issuer may provisionally prepare a Billing Statement based on Issuer's best available knowledge of the quantity of Commodities delivered, which shall not exceed the sum of the Contract Quantity of all the Gas Days or Hours (as applicable) in such Month plus any make-up quantities delivered during such Month. The invoiced quantity and amounts paid thereon (with interest calculated on the amount overpaid or underpaid by Purchaser at the Default Rate) will then be adjusted on the following Month's Billing Statement, as actual delivery information becomes available based on the actual quantity delivered.

(c) Upon request by either Party, the other Party shall deliver such supporting documentation of the foregoing as such requesting Party may reasonably request.

Section 14.2 Payment.

(a) If the Billing Statement indicates an amount due from Purchaser, then Purchaser shall remit such amount to the Trustee for the benefit of Issuer by wire transfer (pursuant to the Trustee's instructions), in immediately available funds, on or before the 22nd day of the Month following the most recent Month to which such Billing Statement relates, or if such day is not a Business Day, the preceding Business Day. If the Billing Statement indicates an amount due from Issuer, then Issuer shall remit such amount to Purchaser by wire transfer (pursuant to Purchaser's instructions), in immediately available funds, on or before the 28th day of the Month following the most recent Month to which such Billing Statement relates, or if such day is not a Business Day, the following Business Day.

(b) If Purchaser fails to issue a Purchaser's Statement with respect to any Month, Issuer shall not be required to estimate any amounts due to Purchaser for such Month, *provided* that Purchaser may include any such amount on subsequent Purchaser's Statements issued within the next sixty (60) days. The sixty (60)-day deadline in this subsection (b) replaces the two (2)-year deadline in Section 14.5(b) with respect to any claim by any non-delivering Party of inaccuracy in any estimated invoice issued or payment made pursuant to this subsection (b).

Section 14.3 Payment of Disputed Amounts; Corrections of Indexes or Rates.

(a) Disputes. If Purchaser disputes any amounts included in Issuer's Billing Statement, Purchaser shall pay any amount required by the Billing Statement in accordance with Section 14.2 without regard to any right of set-off, counterclaim, recoupment or other defenses to payment that Purchaser may have; *provided*, however, that Purchaser shall have the right, after payment, to dispute any amounts included in a Billing Statement or otherwise used to calculate

payments due under this Agreement pursuant to Section 14.5. If Issuer disputes any amounts included in the Purchaser's Statement, Issuer may withhold payment to the extent of the disputed amount; *provided*, however, that interest shall be due at the Default Rate for any withheld amount later found to have been properly due.

(b) Corrections. If a value published for any rate or index used or to be used in this Agreement is subsequently corrected and the correction is published or announced by the Person responsible for that publication or announcement within 30 days after the original publication or announcement, either Party may notify the other Party of (i) that correction and (ii) the amount (if any) that is payable as a result of that correction. If, not later than 30 days after publication or announcement of that correction, a Party gives notice that an amount is so payable, the Party that originally either received or retained such amount shall, not later than three Business Days after the effectiveness of that notice, pay, subject to any other applicable provisions of this Agreement, to the other Party that amount, together with interest on that amount at the Default Rate for the period from and including the day on which a payment originally was (or was not) made to but excluding the day of payment of the refund or payment resulting from that correction.

Section 14.4 Late Payment. If Purchaser fails to remit the full amount payable within one Business Day of when due, interest on the unpaid portion shall accrue from the date due until the date of payment at the Default Rate.

Section 14.5 Audit; Adjustments.

(a) A Party shall have the right, at its own expense, upon reasonable notice to the other Party and at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other Party to the extent reasonably necessary, but only to such extent, to verify the accuracy of any statement, charge, payment, or computation made under this Agreement; *provided* that, notwithstanding the foregoing, to the extent any such examination and audit reveals any material discrepancy in the other Party's books and records, the examining Party shall have a right to be reimbursed by the other Party for costs reasonably incurred in connection with such examination and audit. This right to examine, audit, and obtain copies shall not be available with respect to proprietary information not directly relevant to transactions under this Agreement.

(b) Each Purchaser's Statement and each Billing Statement shall be conclusively presumed final and accurate and all associated claims for under- or overpayments shall be deemed waived unless such Purchaser's Statement or Billing Statement is objected to in writing, with adequate explanation and/or documentation, within two (2) years after the applicable Month of Commodity delivery.

(c) All retroactive adjustments shall be paid in full by the Party owing payment within 30 days of notice and substantiation of such inaccuracy. If the Parties are unable to agree upon any retroactive adjustments requested by either Party within the time period specified in Section 14.5(b), then either Party may pursue any remedies available with respect to such adjustments at law or in equity. Retroactive adjustments for payments made based on incorrect Billing Statement(s) shall bear interest at the Default Rate from the date such payment was made.

Section 14.6 Netting; No Set-Off. The Parties shall net all amounts due and owing, including any past due amounts (which, for the avoidance of doubt, shall include any accrued interest), arising under this Agreement such that the Party owing the greater amount shall make a single payment of the net amount to the other Party in accordance with this Article XIV. Notwithstanding the foregoing, payment for all amounts set forth in a Billing Statement provided to Purchaser shall be made without set-off or counterclaim of any kind.

Section 14.7 Source of Purchaser's Payments. Purchaser agrees to make payments due hereunder from its Utility Revenues, and only from such Utility Revenues, as a Maintenance and Operation Cost of its System (as such terms are defined in Purchaser's Master Resolution); *provided that*, nothing herein shall be construed as prohibiting Purchaser from using any other funds and revenues for purposes of satisfying a payment obligation hereunder, or from entering into contracts or incurring other obligations payable from Utility Revenues on a parity with Purchaser's obligation to make payments hereunder.

Section 14.8 Rate Sufficiency Covenant. Purchaser hereby covenants and agrees that it will establish and collect rates, fees, and charges for the services and commodities provided by the System so as to provide Utility Revenues adequate to meet its obligations under this Agreement and to pay all other amounts payable from Utility Revenues; provided, however, that the obligation of Purchaser to make payments under this Agreement shall not constitute a legal or equitable pledge, lien or encumbrance upon any property of Purchaser or upon any of its income, receipts or revenues; and provided, further, that notwithstanding anything herein to the contrary, Purchaser shall not be obligated to make any payments hereunder except from Utility Revenues.

Section 14.9 Pledge of Utility Revenues. Purchaser shall not grant any lien on or security interest in, or otherwise pledge or encumber, the Utility Revenues if the terms or effect of such lien, pledge or other encumbrance results in such lien, pledge or other encumbrance having priority over the obligations of Purchaser to pay the Contract Price for its Contract Quantities hereunder, which obligations constitute Maintenance and Operation Costs of Purchaser's System (as such terms are defined in Purchaser's Master Resolution).

ARTICLE XV
PPA ASSIGNMENT AGREEMENTS

Section 15.1 Generally. From time to time, Purchaser may be a party to one or more power purchase agreements (each such agreement, an "Assignable Contract") pursuant to which Purchaser is purchasing Electricity, RECs and other products that may be assigned pursuant to Exhibit H. In accordance with this Article XV and Exhibit H, Purchaser may assign, and pursuant to [Section 15.1] of the Prepaid Agreement, Issuer shall request that J. Aron accept the assignment of a portion of Purchaser's rights and obligations under such Assignable Contract (the "Assigned Rights and Obligations"), and J. Aron, to the extent it accepts such assignment, will deliver Assigned Product it receives from such Assigned Rights and Obligations to Issuer under the Prepaid Agreement, and Issuer will deliver such Assigned Product to Purchaser under this Agreement; *provided* that, for the avoidance of doubt, any such assignment shall constitute a partial assignment and delegation. Any such assignments must be proposed and agreed pursuant to Exhibit H and the Prepaid Agreement. To the extent so assigned, Issuer's obligation to deliver,

and Purchaser's obligation to receive, the Hourly Quantity shall be reduced in accordance with Exhibit H to reflect the Assigned Product acquired by Issuer pursuant to such assignment.

Section 15.2 Early Termination of Assignment Period. Except for any Assignment Period that terminates contemporaneously with this Agreement, upon termination for any reason of the Assignment Period for any PPA Assignment Agreement, all reductions that have been made under Exhibit H to the Hourly Quantity shall be increased for all future periods to reverse any reductions to the Hourly Quantity made in connection with such PPA Assignment Agreement.

ARTICLE XVI
NOTICES

Any notice, demand, or request required or authorized by this Agreement to be given by one Party to the other Party (or to a third party) shall be in writing and shall either be sent by email transmission, courier, or personal delivery (including overnight delivery service) to each of the notice recipients and addresses specified in Exhibit B for the receiving Party. Any such notice, demand, or request shall be deemed to be (i) when delivered by email transmission, or (ii) when actually received if delivered by courier or personal delivery (including overnight delivery service). Each Party shall have the right, upon 10 days' prior written notice to the other Party, to change its list of notice recipients and addresses in Exhibit B. The Parties may mutually agree in writing at any time to deliver notices, demands or requests through alternate or additional methods. Notwithstanding the foregoing, either Party may at any time notify the other that any notice, demand, statement, or request to it must be provided by email transmission for a specified period of time or until further notice, and any communications delivered by means other than email transmission during the specified period of time shall be ineffective.

ARTICLE XVII
DEFAULT; REMEDIES; TERMINATION

Section 17.1 Issuer Default. Each of the following events shall constitute an "Issuer Default" under this Agreement:

(a) any representation or warranty made by Issuer in this Agreement shall prove to have been incorrect in any material respect when made; or

(b) Issuer shall have failed to perform, observe or comply with any covenant, agreement or term contained in this Agreement, and such failure continues for more than thirty (30) days following the earlier of (i) receipt by Issuer of notice thereof or (ii) an officer of Issuer becoming aware of such default.

Section 17.2 Purchaser Default. Each of the following events shall constitute a "Purchaser Default" under this Agreement:

(a) Purchaser fails to pay when due any amounts owed to Issuer pursuant to this Agreement and such failure continues for one (1) Business Day following the earlier of (i) receipt by Purchaser of notice thereof or (ii) an officer of Purchaser becoming aware of such default;

(b) Purchaser (i) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (ii) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due; (iii) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (iv) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency Law or other similar Law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (A) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (B) is not dismissed, discharged, stayed or restrained, in each case within thirty (30) days of the institution or presentation thereof; (v) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (vi) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all of its assets; (vii) has a secured party take possession of all or substantially all of its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its of assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within thirty (30) days thereafter; (viii) causes or is subject to any event with respect to it which, under the applicable Laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (i) through (vii); or (ix) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts;

(c) any representation or warranty made by Purchaser in this Agreement proves to have been incorrect in any material respect when made; or

(d) Purchaser shall have failed to perform, observe or comply with any covenant, agreement or term contained in this Agreement, and such failure continues for more than fifteen (15) days following the earlier of (i) receipt by Purchaser of notice thereof or (ii) an officer of Purchaser becoming aware of such default.

Section 17.3 Remedies Upon Default.

(a) Termination. If at any time an Issuer Default or a Purchaser Default has occurred and is continuing, then the non-defaulting Party may do any or all of the following (i) by notice to the defaulting Party specifying the relevant Issuer Default or Purchaser Default, as applicable, terminate this Agreement effective as of a day not earlier than the day such notice is deemed given under Article XVI and/or declare all amounts due to the non-defaulting Party under this Agreement or any part thereof immediately due and payable, and the same shall thereupon become immediately due and payable, without notice, demand, presentment, notice of dishonor, notice of intent to demand, protest or other formalities of any kind, all of which are hereby expressly waived by the defaulting Party; *provided*, however, this Agreement shall automatically terminate and all amounts due to the non-defaulting Party hereunder shall immediately become due and payable as of the time immediately preceding the institution of the relevant proceeding or the presentation of the relevant petition that upon the occurrence of a Purchaser Default specified in Section 17.2(b)(iv) or, to the extent analogous thereto, Section 17.2(b)(viii). In addition, during

the existence of an Issuer Default or a Purchaser Default, as applicable, the non-defaulting Party may exercise all other rights and remedies available to it at Law or in equity, including without limitation mandamus, injunction and action for specific performance, to enforce any covenant, agreement or term of this Agreement.

(b) Additional Remedies. In addition to the remedies set forth in Section 17.3(a) (and without limiting any other provisions of this Agreement), during the existence of any Purchaser Default, Issuer may suspend its performance hereunder and discontinue the supply of all or any portion of the Commodities otherwise to be delivered to Purchaser by it under this Agreement. If Issuer exercises its right to suspend performance under this Section 17.3(b), Purchaser shall remain fully liable for payment of all amounts in default and shall not be relieved of any of its payment obligations under this Agreement. Deliveries of Commodities may only be reinstated, at a time to be determined by Issuer, upon (i) payment in full by Purchaser of all amounts then due and payable under this Agreement and (ii) payment in advance by Purchaser at the beginning of each Month of amounts estimated by Issuer to be due to Issuer for the future delivery of Commodities under this Agreement for such Month. Issuer may continue to require payment in advance from Purchaser after the reinstatement of Issuer's supply services under this Agreement for such period of time as Issuer in its sole discretion may determine is appropriate. In addition, and without limiting any other provisions of or remedies available under this Agreement, if Purchaser fails to accept from Issuer any Commodities tendered for delivery under this Agreement, Issuer shall have the right to sell such Commodities to third parties on any terms that Issuer, in its sole discretion, determines are appropriate.

(c) Effect of Early Termination. As of the effectiveness of any termination date in accordance with clause (i) of Section 17.3(a), (i) the Delivery Period shall end, (ii) the obligation of Issuer to make any further deliveries of Commodities to Purchaser under this Agreement shall terminate, and (iii) the obligation of Purchaser to take or receive deliveries of Commodities from Issuer under this Agreement will terminate. Neither this Agreement nor the Delivery Period may be terminated for any reason except as specified in this Article XVII. Without prejudice to any payment obligation in respect of periods prior to termination, no payments will be due from either Party in respect of periods occurring after the effective termination date of this Agreement.

Section 17.4 Termination of Prepaid Agreement. Purchaser acknowledges and agrees that (i) in the event a [Commodity Delivery Termination Date] (as defined in the Prepaid Agreement) occurs under the Prepaid Agreement, this Agreement shall terminate on the Commodity Delivery Termination Date; and (ii) Issuer's obligation to deliver Commodities under this Agreement shall terminate upon the termination of deliveries of Commodities to Issuer under the Prepaid Agreement. Issuer shall provide notice to Purchaser of any early termination date of the Prepaid Agreement. The Parties recognize and agree that, in the event that the Prepaid Agreement terminates because of a [Failed Remarketing] (as defined in the Bond Indenture) of the Bonds that occurs in the first Month of a Reset Period, Issuer shall deliver Commodities under this Agreement for the remainder of such first Month, and, notwithstanding anything in this Agreement to the contrary, no Monthly Discount Percentage or Annual Refunds shall be associated with such deliveries and the Contract Price shall be adjusted accordingly.

Section 17.5 Limitation on Damages. THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS HEREIN PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION, OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING WITHOUT LIMITATION THE NEGLIGENCE OF EITHER PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THIS AGREEMENT ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT, AND THE LIQUIDATED DAMAGES CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS. IN DETERMINING THE APPROPRIATE MEASURE OF DAMAGES THAT WOULD MAKE THE PARTIES WHOLE, THE PARTIES HAVE THOROUGHLY CONSIDERED, INTER ALIA, THE UNCERTAINTY OF FLUCTUATIONS IN COMMODITY PRICES, THE ABILITY AND INTENTION OF THE PARTIES TO HEDGE SUCH FLUCTUATIONS, THE BARGAINED-FOR ALLOCATION OF RISK, THE KNOWLEDGE, SOPHISTICATION AND EQUAL BARGAINING POWER OF THE PARTIES, THE ARMS-LENGTH NATURE OF THE NEGOTIATIONS, THE SPECIAL CIRCUMSTANCES OF THIS TRANSACTION, THE ACCOUNTING AND TAX TREATMENT OF THE TRANSACTION BY THE PARTIES, AND THE ENTERING INTO OF OTHER TRANSACTIONS IN RELIANCE ON THE ENFORCEABILITY OF THE LIQUIDATED DAMAGES PROVISIONS CONTAINED HEREIN.

ARTICLE XVIII
MISCELLANEOUS

Section 18.1 Indemnification Procedure. With respect to each indemnification included in this Agreement, the indemnity is given to the fullest extent permitted by applicable Law and the following provisions shall be applicable. The indemnified Party shall promptly notify the indemnifying Party in writing of any Claim and the indemnifying Party shall have the right to assume its investigation and defense, including employment of counsel, and shall be obligated to pay related court costs, attorneys' fees and experts' fees and to post any appeals bonds; *provided*, however, that the indemnified Party shall have the right to employ at its expense separate counsel and participate in the defense of any Claim. The indemnifying Party shall not be liable for any settlement of a Claim without its express written consent thereto. In order to prevent double recovery, the indemnified Party shall reimburse the indemnifying Party for payments or costs

incurred in respect of an indemnity with the proceeds of any judgment, insurance, bond, surety or other recovery made by the indemnified Party with respect to a covered event.

Section 18.2 Deliveries. Contemporaneously with this Agreement (unless otherwise specified):

(a) Each Party shall deliver to the other Party evidence reasonably satisfactory to it of (i) such Party's authority to execute, deliver and perform its obligations under this Agreement and (ii) the appropriate individuals who are authorized to sign this Agreement on behalf of such Party;

(b) on the Bond Closing Date, Purchaser shall deliver to Issuer a fully executed Federal Tax Certificate in the form attached hereto as Exhibit D; and

(c) on the Bond Closing Date, Purchaser shall deliver to Issuer an opinion of counsel to Purchaser in the form attached hereto as Exhibit E.

Section 18.3 Entirety; Amendments. This Agreement, including the exhibits and attachments hereto, constitutes the entire agreement between the Parties and supersedes all prior discussions and agreements between the Parties with respect to the subject matter hereof. There are no prior or contemporaneous agreements or representations affecting the same subject matter other than those expressed herein. Except for any matters that, in accordance with the express provisions of this Agreement, may be resolved by oral agreement between the Parties, no amendment, modification, supplement or change hereto shall be enforceable unless reduced to writing and executed by both Parties.

Section 18.4 Governing Law. THIS AGREEMENT AND THE RIGHTS AND DUTIES OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED, ENFORCED AND PERFORMED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT REGARD TO ANY CONFLICTS OF LAW PRINCIPLE THAT WOULD DIRECT THE APPLICATION OF ANOTHER JURISDICTION'S LAW.

Section 18.5 Non-Waiver. No waiver of any breach of any of the terms of this Agreement shall be effective unless such waiver is in writing and signed by the Party against whom such waiver is claimed. No waiver of any breach shall be deemed a waiver of any other subsequent breach.

Section 18.6 Severability. If any provision of this Agreement, or the application thereof, shall for any reason be invalid or unenforceable, then to the extent of such invalidity or unenforceability, the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected thereby, but rather shall be enforced to the maximum extent permissible under applicable Law, so long as the economic and legal substance of the transactions contemplated hereby is not affected in any materially adverse manner as to either Party.

Section 18.7 Exhibits. Any and all Exhibits referenced in this Agreement are hereby incorporated herein by reference and shall be deemed to be an integral part hereof.

Section 18.8 Winding Up Arrangements. All indemnity and confidentiality obligations, audit rights, and other provisions specifically providing for survival shall survive the expiration or termination of this Agreement. The expiration or termination of this Agreement shall not relieve either Party of (a) any unfulfilled obligation or undischarged liability of such Party on the date of such termination or (b) the consequences of any breach or default of any warranty or covenant contained in this Agreement. All obligations and liabilities described in the preceding sentence of this Section 18.8, and applicable provisions of this Agreement creating or relating to such obligations and liabilities, shall survive such expiration or termination.

Section 18.9 Relationships of Parties. The Parties shall not be deemed to be in a relationship of partners or joint venturers by virtue of this Agreement, nor shall either Party be an agent, representative, trustee or fiduciary of the other. Neither Party shall have any authority to bind the other to any agreement. This Agreement is intended to secure and provide for the services of each Party as an independent contractor.

Section 18.10 Immunity. Each Party represents and covenants to and agrees with the other Party that it is not entitled to and shall not assert the defense of sovereign immunity or governmental immunity with respect to its contractual obligations or any contractual Claims under this Agreement, and each hereby waives any such defense of sovereign or governmental immunity for contractual obligations or claims to the full extent permitted by Law.

Section 18.11 Rates and Indices. If the source of any publication used to determine the index or other price used in the Contract Price should cease to publish the relevant prices or should cease to be published entirely, an alternative index or other price will be used based on the determinations made by Issuer and Prepay LLC under [Section 19.11] of the Prepaid Agreement. Issuer shall provide Purchaser the opportunity to provide its recommendations and other input to Issuer for Issuer's use in the process for selecting such alternative index or other price under [Section 19.11] of the Prepaid Agreement.

Section 18.12 Limitation of Liability. Notwithstanding anything to the contrary herein, all obligations of Issuer under this Agreement, including without limitation all obligations to make payments of any kind whatsoever, are special, limited obligations of Issuer, payable solely from the Trust Estate (as such term is defined in the Bond Indenture) as and to the extent provided in the Bond Indenture, including with respect to Operating Expenses (as such term is defined in the Bond Indenture). Issuer shall not be required to advance any moneys derived from any source other than the Revenues (as such term is defined in the Bond Indenture) and other assets pledged under the Bond Indenture for any of the purposes in this Agreement mentioned. Neither the faith and credit of Issuer nor the taxing power of the State of California or any political subdivision thereof is pledged to payments pursuant to this Agreement. Issuer has no taxing power. Issuer shall not be directly, indirectly, contingently or otherwise liable for any costs, expenses, losses, damages, claims or actions, of any conceivable kind on any conceivable theory, under or by reasons of or in connection with this Agreement, except solely to the extent [Revenues] (as such

term is defined in the Bond Indenture) are received for the payment thereof and may be applied therefor pursuant to the terms of the Bond Indenture.

Section 18.13 Counterparts. This Agreement may be executed and acknowledged in multiple counterparts and by the Parties in separate counterparts, each of which shall be an original and all of which shall be and constitute one and the same instrument.

Section 18.14 Third Party Beneficiaries; Rights of Trustee. Purchaser acknowledges and agrees that (a) Issuer will pledge and assign its rights, title and interest in this Agreement and the amounts payable by Purchaser under this Agreement to secure Issuer's obligations under the Bond Indenture, (b) the Trustee shall be a third-party beneficiary of this Agreement with the right to enforce Purchaser's obligations under this Agreement, (c) the Trustee or any receiver appointed under the Bond Indenture shall have the right to perform all obligations of Issuer under this Agreement, and (d) in the event of any Purchaser Default under Section 17.2(a), (i) Prepay LLC may, to the extent provided for in, and in accordance with, the Receivables Purchase Provisions (as defined in the Bond Indenture), take assignment from Issuer of receivables owed by Purchaser to Issuer under this Agreement, and Prepay LLC or any third party transferee who purchases and takes assignment of such receivables from Prepay LLC shall thereafter have all rights of collection with respect to such receivables, and (ii) if such receivables are not so assigned, the Commodity Swap Counterparty (as defined in the Bond Indenture) shall have the right to pursue collection of such receivables to the extent of any non-payment by Issuer to the Commodity Swap Counterparty that was caused by Purchaser's payment default. Pursuant to the terms of the Bond Indenture, Issuer has irrevocably appointed the Trustee as its agent to issue notices and as directed under the Bond Indenture, to take any other actions that Issuer is required or permitted to take under this Agreement. Purchaser may rely on notices or other actions taken by Issuer or the Trustee and Purchaser has the right to exclusively rely on any notices delivered by the Trustee, regardless of any conflicting notices that it may receive from Issuer.

Section 18.15 Waiver of Defenses. Purchaser waives all rights to set-off, counterclaim, recoupment and any other defenses that might otherwise be available to Purchaser with regard to Purchaser's obligations pursuant to the terms of this Agreement.

Section 18.16 Rate Changes

(a) Absent the agreement of the Parties to the proposed change, the standard of review for changes to any rate, charge, classification, term or condition of this Agreement, whether proposed by a Party (to the extent that any waiver in Section 18.16(b) below is unenforceable or ineffective as to such Party), a non-party or FERC acting *sua sponte*, shall solely be the "public interest" application of the "just and reasonable" standard of review set forth in United Gas Pipe Line Co. v. Mobile Gas Service Corp., 350 U.S. 332 (1956) and Federal Power Commission v. Sierra Pacific Power Co., 350 U.S. 348 (1956) and clarified by Morgan Stanley Capital Group Inc. v. Public Util. Dist. No. 1 of Snohomish, 554 U.S. 527 (2008).

(b) In addition, and notwithstanding Section 18.16(a), to the fullest extent permitted by applicable Law, each Party, for itself and its successors and assigns, hereby expressly and irrevocably waives any rights it can or may have, now or in the future, whether under Section

205 and/or 206 of the Federal Power Act or otherwise, to seek to obtain from FERC by any means, directly or indirectly (through complaint, investigation or otherwise), and each hereby covenants and agrees not at any time to seek to so obtain, an order from FERC changing any section of this Agreement specifying the rate, charge, classification, or other term or condition agreed to by the Parties, it being the express intent of the Parties that, to the fullest extent permitted by applicable Law, neither Party shall unilaterally seek to obtain from FERC any relief changing the rate, charge, classification, or other term or condition of this Agreement, notwithstanding any subsequent changes in applicable Law or market conditions that may occur. In the event it were to be determined that applicable Law precludes the Parties from waiving their rights to seek changes from FERC to their market-based power sales contracts (including entering into covenants not to do so) then this Section 18.16(b) shall not apply; *provided* that, consistent with Section 18.16(a), neither Party shall seek any such changes except solely under the "public interest" application of the "just and reasonable" standard of review and otherwise as set forth in Section 18.16(a).

IN WITNESS WHEREOF, the Parties have caused this Commodity Supply Contract to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

[*Separate Signature Page(s) Attached*]

CENTRAL VALLEY ENERGY AUTHORITY

By: _____
Name: _____
Title: _____

TURLOCK IRRIGATION DISTRICT

By: _____
Name: _____
Title: _____

EXHIBIT A

DELIVERY POINTS; CONTRACT QUANTITIES

[Exhibit will also include Daily Index Price, Day Ahead Market Price, Delivery Point Premium]

[To be attached.]

EXHIBIT B

NOTICES

IF TO ISSUER:	**Central Valley Energy Authority**
	[_____]
	[_____]
	[_____]
Gas Related:	[_____]
	[_____]
	[_____]
Power Related:	[_____]
	[_____]
	[_____]
Invoicing/Payments:	[_____]
	[_____]
	[_____]
IF TO PURCHASER:	Turlock Irrigation District
	[_____]
	[_____]
	[_____]
Gas Related:	[_____]
	[_____]
	[_____]
Power Related:	[_____]
	[_____]
	[_____]
Invoicing/Payments:	[_____]
	[_____]
	[_____]

EXHIBIT C

FORM OF REMARKETING ELECTION NOTICE

Central Valley Energy Authority
333 East Canal Drive
Turlock, CA 95381
Attention: [____]

Aron Energy Prepay 48 LLC
c/o J. Aron & Company LLC
609 Main Street, Suite 2100
Houston, TX 77002

U.S. Bank Trust Company, National Association
[____]
[____]
[____]

To the Addressees:

The undersigned, duly authorized representative of Turlock Irrigation District (the "Purchaser"), is providing this notice (the "Remarketing Election Notice") pursuant to the Commodity Supply Contract, dated as of [___], 2025 (the "Supply Contract"), between Central Valley Energy Authority and Purchaser. Capitalized terms used herein shall have the meanings set forth in the Supply Contract.

Pursuant to [Section 3.4(b)] of the Supply Contract, the Purchaser has elected to have its Contract Quantity for each Gas Day or Delivery Hour (as applicable) of the applicable Reset Period remarketed beginning as of the commencement of such Reset Period. The resumption of deliveries in any future Reset Period shall be in accordance with [Section 3.4(d)] of the Supply Contract.

Given this [___] day of [_____], 20[__].

TURLOCK IRRIGATION DISTRICT

By: _____
Printed Name:
Title:

EXHIBIT D

FORM OF FEDERAL TAX CERTIFICATE[3]

[____], 2025

This Federal Tax Certificate is executed in connection with the Commodity Supply Contract dated as of [____], 2025 (the "Supply Contract"), by and between [Central Valley Energy Authority] ("Issuer") and Turlock Irrigation District ("Purchaser"). Capitalized terms used and not otherwise defined herein shall have the meanings given to them in the Supply Contract, in the Tax Certificate and Agreement, or in the Bond Indenture.

WHEREAS, Purchaser acknowledges that Issuer is issuing the Bonds to fund the prepayment price under the Prepaid Agreement; and

WHEREAS, the Bonds are intended to qualify for tax exemption under Section 103 of the Internal Revenue Code of 1986, as amended; and

WHEREAS, Purchaser's use of Commodities acquired pursuant to the Supply Contract and certain funds and accounts of Purchaser will affect the Bonds' qualification for such tax exemption.

NOW, THEREFORE, PURCHASER HEREBY CERTIFIES AS FOLLOWS:

1. Purchaser is an irrigation district duly formed and validly existing under the Laws of the State of California.

2. Purchaser will resell Electricity acquired pursuant to the Supply Contract and use all Gas acquired pursuant to the Supply Contract to generate Electricity that is resold, in each case, to its retail Electricity customers within its service area, with retail sales in all cases being made pursuant to regularly established and generally applicable tariffs or under authorized requirements contracts. For purposes of the foregoing sentence, the term "service area" means (x) the area throughout which Purchaser provided Electricity transmission or distribution service at all times during the 5-year period ending on December 31, 2024, and from then until the date of issuance of the Bonds (the "Closing Date"), and (y) any area recognized as the service area of Purchaser under state or federal law.

3. The annual average amount during the testing period of Gas purchased (other than for resale) used by Purchaser to generate Electricity that is purchased (other than for resale) by customers of Purchaser who are located within the service area of Purchaser is [_____] MMBtu. The maximum annual amount of Gas in any year being acquired pursuant to the Supply Contract is [_____] MMBtu. The annual average amount of Gas that Purchaser holds in storage as of the Closing Date is [_____] MMBtu. The annual average amount of Gas that Purchaser otherwise has a right to acquire as of the Closing Date is [_____] MMBtu. The sum of (a) the maximum amount of Gas in any year being acquired pursuant to the Supply Contract, (b) the

[3] NTD: Remains under parties review.

annual average amount of Gas which Purchaser holds in storage, and (c) the amount of Gas which Purchaser otherwise has a right to acquire in the year described in the foregoing clause (a) is [_____] MMBtu. Accordingly, the amount of Gas to be acquired under the Supply Contract by Purchaser, supplemented by the amount of Gas otherwise available to Purchaser as of the Closing Date, during any year does not exceed the sum of (i) [___]% of the annual average amount during the testing period of Gas purchased to generate Electricity that is purchased (other than for resale) by customers of Purchaser who are located within the service area of Purchaser; and (ii) the amount of Gas to be used to transport the prepaid Gas to Purchaser during such year. For purposes of this paragraph 3, the term "testing period" means the 5 calendar years ending December 31, 2024, and the term "service area" means (x) the area throughout which Purchaser provided Gas distribution service at all times during the testing period, (y) any area within a county contiguous to the area described in (x) in which retail customers of Purchaser are located if such area is not also served by another utility providing Gas services, and (z) any area recognized as the service area of Purchaser under state or federal law.

4. Purchaser expects to pay for Gas acquired pursuant to the Supply Contract solely from funds derived from its Electricity distribution operations. Purchaser expects to use current net revenues of its to pay for current Gas acquisitions. There are no funds or accounts of Purchaser or any person who is a Related Person to Purchaser in which monies are invested and which are reasonably expected to be used to pay for Gas acquired more than one year after it is acquired. No portion of the proceeds of the Bonds will be used directly or indirectly to replace funds of Purchaser or any persons who are Related Persons to Purchaser that are or were intended to be used for the purpose for which the Bonds were issued.

_____, 2025

Turlock Irrigation District

By: _____
[Name]
[Title]

EXHIBIT E

FORM OF OPINION OF COUNSEL TO PURCHASER[4]

[____], 2025

Central Valley Energy Authority c/o Turlock Irrigation District
333 East Canal Drive
Turlock, CA 95381

Aron Energy Prepay 48 LLC
c/o J. Aron & Company LLC
609 Main Street, Suite 2100
Houston, TX 77002

Goldman Sachs & Co. LLC
200 West Street
New York, NY 10282

U.S. Bank Trust Company, National Association, as trustee
[____]
[____]
[____]

[COMMODITY SWAP COUNTERPARTY]
[____]
[____]
[____]

Re: Commodity Supply Contract between Turlock Irrigation District and Central Valley Energy Authority dated as of [____], 2025

Ladies and Gentlemen:

We have acted as general counsel to Turlock Irrigation District (the "Purchaser") in connection with the execution and delivery by the Purchaser of the Commodity Supply Contract, dated as of _____, 2025 (the "Supply Contract"), between the Central Valley Energy Authority (the "Issuer") and Purchaser. Unless otherwise specified herein, all terms used but not defined in this opinion shall have the same meaning as is ascribed to them in the Supply Contract.

In rendering this opinion, we have examined an original or copy certified or otherwise identified to our satisfaction, of the Supply Contract, and such other documents and instruments,

[4] NTD: Opinion form remains subject to continuing review of the parties.

including certificates of public officials, and have made such investigations of law and of fact as we have deemed necessary or appropriate for the purpose of rendering the opinions set forth herein.

The opinions expressed herein are based upon our analysis and interpretation of existing laws, regulations, rulings and judicial decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or whether such events do occur or any other matters come to our attention after the date hereof. We have assumed the genuineness of documents and certificates presented to us (whether as originals or as copies) and of the signatures thereon, and the due and legal execution and delivery thereof by, and validity against, any parties other than the Purchaser. We have not undertaken to verify independently, and have assumed the accuracy of the factual matters represented, warranted or certified in such documents and certificates. We call attention to the fact that the rights and obligations of the Purchaser under the Supply Contract are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws affecting creditors' rights, to the application of equitable principles if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State of California. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, waiver or severability provisions contained in the Supply Contract.

Based upon the foregoing, we are of the opinion that:

1. Purchaser is an irrigation district of the State of California, organized and existing under the Irrigation District Law as codified at Division 11 of the California Water Code (the "Law") duly organized and validly existing under the laws of the State, and has the power and authority to own its properties, to carry on its business as now being conducted, and to enter into and to perform its obligations under the Supply Contract.

2. Resolution No. ____ of the Purchaser approving and authorizing the execution and delivery of the Supply Contract by the Purchaser (the "Purchaser Resolution") was duly adopted at a meeting of the Board of Directors of the Purchaser, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout.

3. The Supply Contract has been duly authorized, executed and delivered by Purchaser and, assuming due authorization, execution and delivery of the Supply Contract by the Issuer, the Supply Contract constitutes a legal, valid and binding agreement of the Purchaser, enforceable in accordance with its terms.

4. No authorization, approval, consent, or other order of the State of California or any other governmental authority or agency within the State of California having jurisdiction over the Purchaser, or, to our knowledge, of any holder of any outstanding bonds or other indebtedness of Purchaser, is required for the valid execution, delivery and performance by Purchaser of the Supply Contract other than those approvals, consents and/or authorizations that have already been obtained.

5. The adoption of the Purchaser Resolution and the execution and delivery of the Supply Contract, and compliance by the Purchaser with the provisions thereof, as appropriate, under the circumstances contemplated thereby, does not and will not in any material respect conflict with or constitute on the part of the Purchaser a material breach or default under any agreement or other instrument to which the Purchaser is a party (and of which we have current actual knowledge after reasonable investigation) or by which it is bound (and of which we have current actual knowledge after reasonable investigation) or any existing law, regulation, court order or consent decree to which the Purchaser is subject.

6. Purchaser is not in breach of or default under any applicable constitutional provision or any law or administrative regulation of the State or the United States or any applicable judgment or decree or, to our knowledge, any loan or other agreement, resolution, indenture, bond, note, resolution, agreement or other instrument to which Purchaser is a party or to which Purchaser or any of its property or assets is otherwise subject, and to our knowledge no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument.

7. Payments to be made by Purchaser under the Supply Contract constitute operating expenses of Purchaser's electric utility system payable solely from the revenues of Purchaser's electric utility system as a cost of purchased gas. The application of the revenues and other available funds of Purchaser's utility system to make such payments is not subject to any prior lien, encumbrance or other restriction.

8. As of the date of this opinion, to my knowledge as general counsel of the Purchaser, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending (with service of process having been accomplished) or, to our current actual knowledge after reasonable investigation, threatened against the Purchaser, in any way contesting or affecting the validity of the Supply Contract.

This letter is furnished by us as general counsel to the Purchaser. No attorney-client relationship has existed or exists between our firm and yourselves in connection with the Supply Contract or by virtue of this letter. This opinion is rendered solely for the use and benefit of the addressees listed above in connection with the Supply Contract and may not be relied upon other than in connection with the transactions contemplated by the Supply Contract, or by any other person or entity for any purpose whatsoever, nor may this opinion be quoted in whole or in part or otherwise referred to in any document or delivered to any other person or entity, without the prior written consent of the undersigned.

Very truly yours,

EXHIBIT F

PRICING AND OTHER TERMS

Administrative Fee:	$0.[_]/MMBtu during the Gas Delivery Period $0.[_]/MWh during the Electricity Delivery Period while deliveries are only to the Primary Electricity Delivery Point
Delivery Period:	The period beginning on [____], 20[_] and ending on [____], 20[_]; provided that the Delivery Period shall end immediately upon the effective termination date of the Prepaid Agreement or early termination of this Agreement pursuant to Article XVII hereof.
Current Reset Period:	The period beginning on [___], 20[_] and ending on [___], 20[_].
Minimum Discount Percentage:	[_]% for each Reset Period after the Current Reset Period, provided that the Minimum Discount Percentage shall be determined during the Electricity Delivery Period as a percentage of the [Fixed Price] (as defined in the Buyer Swap) for the Primary Electricity Delivery Point.
Monthly Discount Percentage:	[_____]% during the Current Reset Period, and for each Month of a Reset Period thereafter, the Monthly Discount Percentage portion of the Available Discount Percentage for such Reset Period determined by the Calculation Agent pursuant to the Re-Pricing Agreement.

EXHIBIT G-1

GAS COMMUNICATIONS PROTOCOL

1. OVERVIEW

This Communications Protocol shall apply to the Gas deliveries contemplated under the following contracts (each, a "Gas Contract" and collectively, the "Gas Contracts"):

(a) pursuant to (i) one or more contracts identified pursuant to Section 8 of this Communications Protocol as an LAA Upstream Supply Contract, the LAA Upstream Supplier is obligated to deliver the Contract Quantity to J. Aron at the Delivery Points and (ii) a Limited Assignment Agreement entered into among Turlock Irrigation District ("Participant"), an LAA Upstream Supplier and J. Aron & Company LLC ("J. Aron");

(b) pursuant to that certain Commodity Purchase, Sale and Service Agreement, dated as of [___], 2025 (the "Commodity Sale and Service Agreement"), between J. Aron and Aron Energy Prepay 48 LLC ("Prepay LLC"), J. Aron is obligated to deliver the Contract Quantity to Prepay LLC at the Delivery Points;

(c) pursuant to that certain Prepaid Commodity Sales Agreement, dated as of [___], 2025 (the "Prepaid Agreement"), between Prepay LLC and Central Valley Energy Authority ("Issuer"), Prepay LLC obligated to deliver the Contract Quantity to Issuer at the Delivery Points; and

(d) pursuant to that certain Commodity Supply Contract, dated as of [___], 2025 (the "Commodity Supply Contract"), between Issuer and Participant, Issuer is obligated to deliver the Contract Quantity to Participant at the Delivery Points.

2. ADDITIONAL DEFINED TERMS

Capitalized terms used but not otherwise defined herein shall have the meaning set forth in the Prepaid Agreement as in effect on the date it is first executed or as amended with the consent of each Relevant Party that is affected by such change. References to Sections are to the Sections of this Communications Protocol, unless specifically stated otherwise. The following terms used in this Communications Protocol shall have the following meanings:

2.1 "Assignment Agreement" has the meaning specified in Section 8.1.

2.2 "Delivery Points" has the meaning specified in the Commodity Supply Contract.

2.3 "Delivery Scheduling Entity" means J. Aron or another Person as the Delivery Scheduling Entity designated by J. Aron as set forth in Attachment 4 or in a subsequent written notice to Issuer; *provided* that during periods when an LAA

Upstream Supplier has been designated pursuant to Section 8, the LAA Upstream Supplier will be the Delivery Scheduling Entity.

2.4 "Operational Nomination" has the meaning specified in Section 4.1.1.

2.5 "Receipt Scheduling Entity" means Participant unless Issuer designates another Person as set forth in Attachment 4 or in a subsequent written notice to Issuer, in which case this Communications Protocol will cease to apply to Participant.

2.6 "Relevant Party" means each of the LAA Upstream Supplier, J. Aron, Prepay LLC, Issuer and Participant.

2.7 "Relevant Transporter" means any Transporter that will or is intended to transport Gas to be delivered or received under the Gas Contracts.

2.8 "Scheduling Entities" means the Receipt Scheduling Entity and the Delivery Scheduling Entity.

3. AGREEMENTS OF RELEVANT PARTIES

Each Relevant Party that is a party to a particular Gas Contract to which this Communications Protocol applies acknowledges that this Communications Protocol sets forth certain obligations that may be delegated to other Relevant Parties that are not a party to a particular Gas Contract. In connection therewith:

3.1 Each Relevant Party shall be entitled to rely exclusively on any communications or directions given by a Delivery Scheduling Entity or Receipt Scheduling Entity, in each case to the extent such communications are permitted hereunder;

3.2 Each Relevant Party will cause its counterparty to each relevant Gas Contract to comply with the provisions of this Communications Protocol as the provisions apply to such counterparty;

3.3 No Relevant Party will amend any provision of this Communications Protocol in a Gas Contract without the consent of each other Relevant Party; and

3.4 No Relevant Party will waive any provision of this Communications Protocol in a Gas Contract without the consent of each other Relevant Party whose rights or obligations would be materially and adversely affected by such waiver.

4. INFORMATION EXCHANGE AND COMMUNICATION

4.1 Communication of Operational Nomination Details

4.1.1 Prior to each Month during which Gas is required to be delivered under the Prepaid Agreement, the Receipt Scheduling Entity shall deliver an

operational nomination in writing in a form substantially similar to Attachment 2 (the "*Operational Nomination*") to each other Relevant Party no later than 8:30 am CPT on the second Business Day prior to the last day of exchange trading for Henry Hub Natural Gas Futures Contracts on the New York Mercantile Exchange (or any successor thereto) for deliveries in such Month. The Operational Nomination shall be delivered electronically to the notice addresses set forth on Attachment 1.

4.1.2 The Delivery Scheduling Entity shall update appropriate nomination details on the relevant Receipt Scheduling Entity's Operational Nomination and forward to all other Relevant Parties by the close of the Business Day prior to nominations leaving control of the nominating Scheduling Entity for the first timely nomination cycle for the Transporters at the Delivery Points for deliveries in each Month in which Gas is to be delivered.

4.1.3 The Delivery Scheduling Entity shall, if necessary due to reduction during any Month, update appropriate nomination details on the relevant Receipt Scheduling Entity's Operational Nomination and forward to all other Relevant Parties by not later than 8:00 am CPT two Business Days prior to nominations leaving control of the nominating Scheduling Entity for the first timely nomination cycle for the Transporters at the Delivery Points for deliveries on any day or days in which Gas is to be delivered.

4.1.4 The Scheduling Entities acknowledge and understand that changes to Operational Nomination details may occur after the deadline set forth in Section 4.1.1. The Scheduling Entity initiating the change will forward a revised Operational Nomination to the other Scheduling Entity (with a copy to each other Relevant Party) and the other Scheduling Entity will exercise Commercially Reasonable Efforts to accommodate such change(s). The Relevant Parties will exercise Commercially Reasonable Efforts to limit the amount of changes and accommodate requested changes at all times as allowed in the Transporter's tariff.

4.1.5 For any other proposed changes to an Operational Nomination, the Scheduling Entities may initially communicate orally or via other electronic means. However, such changes will be subsequently communicated as a revised Operational Nomination as outlined above as soon as reasonably possible.

4.2 Event-Specific Communications

4.2.1 The Scheduling Entities shall monitor pipeline notices that are relevant to the Delivery Points and provide Commercially Reasonable notification to the other Relevant Parties of maintenance or other issues that could impact Gas flow. In such event, the Relevant Parties may designate Alternate Gas

Delivery Point(s) by mutual agreement of all of the Relevant Parties, each in its sole discretion. The designation of Alternate Gas Delivery Point(s) by mutual agreement may be initiated by means of oral communication between the Relevant Parties, but in such case, such Alternate Gas Delivery Points shall be documented in writing by the Relevant Parties in compliance with the terms of the relevant Gas Contracts.

4.2.2 Each Scheduling Entity shall notify the other Relevant Parties as soon as practicable in the event of: (i) any deficiencies in scheduling related to such Scheduling Entity or such Scheduling Entity's Transporter; (ii) any deficiencies in scheduling related to the other such Scheduling Entity or such other Scheduling Entity's Transporter of which the notifying Scheduling Entity becomes aware; and (iii) any action taken by such Scheduling Entity's Transporter that would reasonably be expected to create issues related to Gas flow under the Prepaid Agreement.

5. ACCESS AND INFORMATION

5.1 The Relevant Parties agree to provide relevant records from Transporters and any other Relevant Transporters necessary to document and verify Gas flows within and after the Month as needed to facilitate settlement under the Gas Contracts.

5.2 Each Relevant Party acknowledges that the Scheduling Entities may not have immediate access to Gas flow information at the Delivery Points. Therefore, the Scheduling Entities will closely monitor the available nomination information at the Delivery Points and promptly notify each other upon obtaining knowledge of any discrepancies in such nomination information and the quantities required to be delivered and taken under the applicable Gas Contracts at the Delivery Points. Each Relevant Party acknowledges and agrees that the inability of a Relevant Party to immediately access Gas flow information at the Delivery Points shall not impact or be construed as a waiver of any of the rights and obligations of the Relevant Parties set forth in the applicable Gas Contract.

5.3 Each Scheduling Entity will use Commercially Reasonable Efforts to cooperate with J. Aron to ensure that J. Aron has sufficient agency rights from each such Scheduling Entity with respect to each Transporter to allow J. Aron to view Gas flows at the Delivery Points.

6. NOTICES

Any notice, demand, request or other communication required or authorized by this Communications Protocol to be given by one Relevant Party to another Relevant Party shall be in writing, except as otherwise expressly provided herein. It shall be sent by facsimile (with receipt confirmed by telephone and electronic transmittal receipt), email, courier, or personally delivered (including overnight delivery service) to the applicable representative of the other Relevant Party designated in Attachment 1 hereto. A Relevant Party may change its

representative identified in Attachment 1 hereto at any time by written notice to each other Relevant Party. Any notice, demand, or request shall be deemed to be given (i) when sent by facsimile confirmed by telephone and electronic transmittal receipt, (ii) when sent by email or (iii) when actually received if delivered by courier or personal delivery (including overnight delivery service). Each Relevant Party shall have the right, upon written notice to the other Relevant Parties, to change its address at any time, and to designate that copies of all such notices be directed to another Person at another address. Notwithstanding the foregoing, any Relevant Party may at any time notify the others that any notice, demand, request or communication to it must be provided by email transmission for a specified period of time or until further notice, and any communications delivered by means other than email transmission during such time shall be ineffective.

7. NO IMPACT ON CONTRACTUAL OBLIGATIONS

Except as expressly set forth herein or in an applicable Gas Contract, nothing in this Communications Protocol nor any Relevant Party's actions or inactions hereunder shall have any impact on any Relevant Party's rights or obligations under the Gas Contracts.

8. LAA UPSTREAM SUPPLY CONTRACT

8.1 J. Aron and Participant may designate a contract as an "LAA Upstream Supply Contract" by entering into an Assignment Agreement (as defined below) and notifying the other Relevant Parties of the execution of such Assignment Agreement; *provided* that (i) any such LAA Upstream Supply Contract must include this Communications Protocol or scheduling terms consistent with this Communications Protocol, (ii) any LAA Upstream Supplier thereunder must be contract-enabled with J. Aron; (iii) any LAA Upstream Supplier thereunder must be able to satisfy J. Aron's internal requirements as they relate to "know your customer" rules, policies and procedures, anti-money laundering rules and regulations, Dodd-Frank Act, Commodity Exchange Act, PATRIOT Act and similar rules, regulations, requirements and corresponding policies; (iv) any LAA Upstream Supply Contract must have a delivery period of a minimum of six Months; (v) any such LAA Upstream Supplier, Participant and J. Aron must enter into a Limited Assignment Agreement substantially in the form of Attachment 5 (an "Assignment Agreement"); (vi) no more than two LAA Upstream Supply Contracts may be in effect for the same portion of the Delivery Period; (vii) any such LAA Upstream Supply Contract must be priced at the Daily Index Price for PG&E Citygate, provided that the contract price may include a Delivery Point Premium; and (viii) an Affiliate of Participant may only act as an LAA Upstream Supplier (a) to the extent that it is acting as a replacement supplier due to the early termination of an LAA Upstream Supply Contract and (b) for the remaining term for deliveries under such terminated LAA Upstream Supply Contract. An "LAA Upstream Supplier" is the seller of Gas to J. Aron under any LAA Upstream Supply Contract.

8.2 For the period from January 1, 2026 through December 31, 2026 only: Participant may propose and J. Aron may agree to enter into an Assignment Agreement for an

LAA Upstream Supply Contract that includes a contract price that is a fixed price, provided that (i) the requirements set forth in Section 8.1 above other than clause (vii) thereof shall apply to any such assignment, (ii) Participant must notify J. Aron at least 90 days prior to the proposed effective date of any such assignment, (iii) the Assignment Agreement would provide that the "Assigned Contract Price" thereunder is the Daily Index Price for PG&E Citygate and (iv) Participant and J. Aron may enter into a custodial agreement for the administration of payments due under any such LAA Upstream Supply Contract.

8.3 Not later than 180 days prior to the expiration of any Upstream Supply Contract or immediately upon the early termination of any Upstream Supply Contract, J. Aron and Participant will begin to cooperate in good faith and exercise commercially reasonable efforts to locate a replacement Upstream Supply Contract. J. Aron agrees that it will not unreasonably delay or withhold its consent to any LAA Upstream Supply Contract proposed by Participant, provided that it shall not be unreasonable for J. Aron to withhold its consent if the proposed LAA Upstream Supply Contract or LAA Upstream Supplier thereunder (i) fails to satisfy the requirements set forth in Section 8.1 above or (ii) poses materially different risks to J. Aron or the other Relevant Parties (other than Participant) relative to the LAA Upstream Supply Contract and LAA Upstream Supplier that is being replaced (without regard to any adverse changes relating to the LAA Upstream Supplier being replaced that arose after such contract was initially assigned). If Participant does not propose an LAA Upstream Supply Contract meeting the foregoing requirements by the date that is thirty (30) days prior to the expiration of an existing LAA Upstream Supply Contract (or within ten (10) days after early termination thereof), then J. Aron may propose, but is not obligated to propose, an LAA Upstream Supply Contract and Participant agrees that it will not unreasonably delay or withhold its consent to such LAA Upstream Supply Contract; *provided* that it shall not be unreasonable for Participant to withhold its consent if the LAA Upstream Supply Contract or the LAA Upstream Supplier thereunder poses materially different risks to Participant relative to the LAA Upstream Supply Contract and LAA Upstream Supplier that is being replaced (without regard to any adverse changes to the LAA Upstream Supplier being replaced that arose after such contract was initially assigned). If either Participant or J. Aron does not consent to a replacement Upstream Supply Contract prior to the expiration of an existing Upstream Supply Contract, or if an Upstream Supply Contract terminates early or if otherwise an Upstream Supply Contract is not in place at any time, then, until such time as a new Upstream Supply Contract is consented to, (i) the delivery point will be [_____] and index price will be [_____] for [_____], provided that J. Aron may in its reasonable discretion designate a Delivery Point Premium and modify such Delivery Point Premium from time to time while an Upstream Supply Contract is not in effect; and (ii) J. Aron will be the Delivery Scheduling Entity.

8.4 The declaration of "Force Majeure" by an LAA Upstream Supplier under an LAA Upstream Supply Contract shall be deemed Force Majeure for purposes of each of the Gas Contracts.

9. ATTACHMENTS

Attachment 1 – Notices and Key Personnel

Attachment 2 – Form of Operational Nomination (Monthly)

Attachment 3 – Remarketing Notice Form

Attachment 4 – Designation of Scheduling Entities Form

Attachment 5 – Form of Limited Assignment Agreement

ATTACHMENT 1

Notices and Key Personnel

J. Aron & Company LLC Scheduling Personnel:

J. Aron & Company LLC
200 West Street
New York, NY 10282
Scheduling Team
Email: ficc-jaron-natgasops@ny.email.gs.com; gs-prepay-notices@gs.com
Direct Phone: (212) 902-8148
Fax: (212) 493-9847

And to:

Matt Speltz
ICE Chat: mspeltz5
Email: gs-prepay-notices@gs.com
Direct Phone: (212) 357-5429
Fax: (212) 493-9847

Prepay LLC Scheduling Personnel:

Aron Energy Prepay 48 LLC
c/o J. Aron & Company LLC
609 Main Street, Suite 2100
Houston, TX 77002
Scheduling Team
Email: ficc-jaron-natgasops@ny.email.gs.com; gs-prepay-notices@gs.com
Direct Phone: (212) 902-8148
Fax: (212) 493-9847

And to:

Matt Speltz
ICE Chat: mspeltz5
Email: gs-prepay-notices@gs.com
Direct Phone: (212) 357-5429
Fax: (212) 493-9847

Buyer Personnel:

[____]

[_____]
[_____]
[_____]
[_____]
Phone: [_____]
Email: [_____]

Gas Related:
[_____]
[_____]

Invoicing/Payments:
[_____]
[_____]

[_____]
[_____]
[_____]
[_____]
[_____]
Phone: [_____]
Email: [_____]

Gas Related:
[_____]
[_____]

Invoicing/Payments:
[_____]
[_____]

LAA Upstream Supplier Scheduling:

As provided by any applicable LAA Upstream Supplier.

ATTACHMENT 2

Form of Operational Nomination (Monthly)
Month: _____, 20__

Pipeline	Delivery Point	Pipeline Meter Number	Pipeline Meter Name	Upstream Info	Upstream Duns	Downstream Info	Downstream Duns	Daily Contract Volume	Daily Remarketed Volume	Daily Nominated Volume	Monthly Contractual Volume	Monthly Remarketed Volume	Monthly Nominated Volume
[_____]	***[_____]***												
[_____]	***[_____]***												
Totals													

Attachment 3

Remarketing Notice Form

Date: [_____]

To: Seller Scheduling

From: Buyer Scheduling

This notice is delivered pursuant to that certain Prepaid Commodity Sales Agreement (the "Agreement") dated [_____], 2025 by and between Aron Energy Prepay 48 LLC and Central Valley Energy Authority ("Buyer")] and relates to the Commodity Supply Agreement dated [_____], 2025 by and between Buyer and [Project Participant]. Capitalized terms are defined in the Agreement.

Check the box to indicate type of Remarketing Notice. The numbers of the Primary Delivery Points ("P") and Alternate Delivery Points ("A") below correspond to those same Primary Delivery Points and Alternate Delivery Points set forth in Exhibit A of the Agreement, or as may be designated by the Parties from time to time:

☐ Monthly Remarketing Notice:

Month(s) for which remarketing is requested: _____, 20__ through _____, 20__.

Pursuant to Section 3(b) of Exhibit C of the Agreement, Buyer requests that Seller remarket in such Month(s) the following Contract Quantities of Gas most recently nominated for delivery at the following respective Gas Delivery Points:

Gas Delivery Point (P/A, #)	**MMBtu/Day for such Month**

☐ Daily Remarketing Notice:

Gas Day(s) for which remarketing is requested: _____, 20__ through _____, 20__.

Pursuant to Section 3(c) of Exhibit C of the Agreement, Buyer requests that Seller remarket on such Gas Days the following Contract Quantities of Gas most recently nominated for delivery at the following respective Gas Delivery Points:

Gas Delivery Point (P/A, #)	**MMBtu/Gas Day**

Submitted by Buyer:

CENTRAL VALLEY ENERGY AUTHORITY

By: _____
Name:
Title:

ATTACHMENT 4

Designation of Scheduling Entities Form

Receipt Scheduling Entity: Delivery Point: _____ Percentage of Contract Quantity for Delivery Point that may be scheduled and nominated by Receipt Scheduling Entity: _____ Effective Date(s) of Service of Receipt Scheduling Entity (full Months only): _____, _____ to _____, _____, if applicable Notice Information for Receipt Scheduling Entity: Name: _____ Attention: _____ Address: _____ _____ Telephone: _____ Fax: _____
Delivery Scheduling Entity: Delivery Point: _____ Effective Date(s) of Service of Delivery Scheduling Entity (full Months only): _____, _____ to _____, _____, if applicable Notice Information for Delivery Scheduling Entity: Name: _____ Attention: _____ Address: _____ _____ Telephone: _____ Fax: _____

Submitted by Issuer:

CENTRAL VALLEY ENERGY AUTHORITY

By:_____
Name:
Title:

Submitted by J. Aron:

J. ARON & COMPANY LLC

By:_____
Name:
Title:

ATTACHMENT 5

FORM OF LIMITED ASSIGNMENT AGREEMENT

This Limited Assignment Agreement (this "**Agreement**") is entered into as of [____] (the "**Assignment Agreement Effective Date**") by and among [____] ("**Upstream Supplier**"), [PARTICIPANT] ("**Participant**") and J. Aron & Company LLC ("**J. Aron**").

RECITALS

WHEREAS, Participant and Upstream Supplier are parties to that certain Upstream Supply Contract (as defined in Appendix 1 hereto);

WHEREAS, with effect from and including the Assignment Period Start Date (as defined below), Participant wishes to transfer by partial assignment to J. Aron, and J. Aron wishes to accept the transfer by partial assignment of, the Assigned Rights and Obligations (as defined below) for the duration of the Assignment Period (as defined below);

THEREFORE, in consideration of the premises above and the mutual covenants and agreements herein set forth, Upstream Supplier, Participant and J. Aron (the "**Parties**" hereto; each is a "**Party**") agree as follows:

Section 1. Definitions.

The following terms, when used in this Agreement and identified by the capitalization of the first letter thereof, have the respective meanings set forth below, unless the context otherwise requires:

"**Agreement**" has the meaning specified in the first paragraph above.

"**Assigned Contract Price**" has the meaning specified in Appendix 1.

"**Assigned Daily Quantity**" has the meaning specified in Appendix 1.

"**Assigned Delivery Point**" has the meaning specified in Appendix 1.

"**Assigned Gas**" means any Gas to be delivered to J. Aron hereunder pursuant to the Assigned Rights and Obligations.

"**Assigned Rights and Obligations**" means (i) the rights of Participant under the Upstream Supply Contract to receive the Assigned Daily Quantity of Assigned Gas on each Day during the Assignment Period, and (ii) the Delivered Gas Payment Obligation, which right and obligation are transferred and conveyed to J. Aron hereunder.

"**Assignment Agreement Effective Date**" has the meaning specified in the first paragraph above.

"**Assignment Early Termination Date**" has the meaning specified in Section 5(b).

"**Assignment Period**" has the meaning specified in Section 5(a).

"**Assignment Period End Date**" means [____].

"**Assignment Period Start Date**" means [____].

"**Business Day**" has the meaning specified in the Prepaid Agreement.

"**Claims**" means all claims or actions, threatened or filed, and the resulting losses, damages, expenses, attorneys' fees, experts' fees, and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement.

"**Commodity Sale and Service Agreement**" means that certain Commodity Purchase, Sale and Service Agreement dated [___], 20[_] by and between J. Aron and Prepay LLC.

"**Commodity Supply Contract**" means that certain Commodity Supply Contract dated [___], 20[_] by and between Participant and Issuer.

"**Delivered Gas Payment Obligation**" has the meaning specified in Section 3(a).

"**Gas**" means any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane.

"**Government Agency**" means the United States of America, any state thereof, any municipality, or any local jurisdiction, or any political subdivision of any of the foregoing, including, but not limited to, courts, administrative bodies, departments, commissions, boards, bureaus, agencies, or instrumentalities.

"**ISDA U.S. Stay Protocol**" has the meaning specified in Section 11(d).

"**Issuer**" means Central Valley Energy Authority.

"**Month**" means a calendar month.

"**J. Aron**" has the meaning specified in the first paragraph of this Agreement.

"**Participant**" has the meaning specified in the first paragraph of this Agreement.

"**Person**" means any individual, corporation, partnership, joint venture, trust, unincorporated organization, or Government Agency.

"**Prepaid Agreement**" means that certain Prepaid Commodity Sales Agreement dated as of [___], 20[_] by and between Prepay LLC and Issuer.

"**Prepay Commodities Contracts**" means the Commodity Sale and Service Agreement, the Prepaid Agreement and the Commodity Supply Contract.

"**Prepay LLC**" means Aron Energy Prepay 48 LLC, a Delaware limited liability company.

"**Receivables**" has the meaning given to such term in Section 3(d).

"**Retained Rights and Obligations**" has the meaning specified in Section 3.

"**Upstream Supplier**" has the meaning specified in the first paragraph of this Agreement.

"**Upstream Supply Contract**" has the meaning specified in Appendix 1.

Section 2. Transfer and Undertakings.

(a) Participant hereby assigns, transfers and conveys to J. Aron all right, title and interest in and to the Assigned Rights and Obligations during the Assignment Period.

(b) Upstream Supplier hereby consents and agrees to Participant's assignment, transfer and conveyance of all right, title and interest in and to the Assigned Rights and Obligations to J. Aron and the exercise by J. Aron of the Assigned Rights and Obligations during the Assignment Period.

(c) J. Aron hereby accepts such assignment, transfer and conveyance of the Assigned Rights and Obligations during the Assignment Period and agrees to perform any such Assigned Rights and Obligations due from it during the Assignment Period to the extent expressly set forth in this Agreement.

Section 3. Limited Assignment.

The Parties acknowledge and agree that (i) the Assigned Rights and Obligations include only a portion of Participant's and Upstream Supplier's rights and obligations under the Upstream Supply Contract, and that all rights and obligations arising under the Upstream Supply Contract that are not expressly included in the Assigned Rights and Obligations shall be "**Retained Rights and Obligations**", and (ii) the Retained Rights and Obligations include all rights and obligations of Participant and Upstream Supplier arising during the Assignment Period except the rights and obligations expressly included in the Assigned Rights and Obligations. In this regard:

(a) **Limited to Delivered Gas Payment Obligation**. J. Aron's sole obligation to Upstream Supplier will be to pay the Assigned Contract Price to Upstream Supplier for the Assigned Gas actually delivered by Upstream Supplier on each Day of the Assignment Period on each applicable payment date under the Upstream Supply Contract for a quantity up to, but not exceeding, the Assigned Daily Quantity (the "**Delivered Gas Payment Obligation**"). Participant shall remain obligated to pay Upstream Supplier for all quantities and at the price specified in the Upstream Supply Contract in accordance with the terms of the Upstream Supply Contract, but Upstream Supplier shall credit on each monthly invoice the Delivered Gas Payment Obligation against the amounts otherwise due from Participant under the Upstream Supply Contract for each Day of the Assignment Period covered by such invoice, and Participant shall remain solely responsible for any payment obligations under the Upstream Supply Contract other than the Delivered Gas Payment Obligation during the Assignment Period.

(b) **Retained Rights and Obligations**. Any Claims (other than the Delivered Gas Payment Obligation or a failure to perform the same) arising or existing under this Agreement

or the Upstream Supply Contract, whether related to performance by the Upstream Supplier, Participant or J. Aron, and whether arising before, during or after the Assignment Period, in each case excluding the Delivered Gas Payment Obligation, will be included in the Retained Rights and Obligations and any such Claims will be resolved exclusively between the Upstream Supplier and Participant in accordance with the Upstream Supply Contract. Any Gas acquired by Participant from a [Third Party (as defined in the Upstream Supply Contract)] shall be excluded from the Assigned Rights and Obligations. For the avoidance of doubt, the Parties acknowledge and agree that (i) Participant shall remain solely responsible for any amounts due under the Upstream Supply Contract as a result of Participant scheduling or otherwise taking less than the Assigned Daily Quantity for any reason on any Day during the Assignment Period, including as a result of exercising any rights it may have under the Commodity Supply Contract or Upstream Supply Contract, as applicable, to reduce its daily deliveries upon notice, and (ii) any invoice adjustments or reconciliations occurring after the initial settlement of amounts due under a monthly invoice shall be resolved solely between Upstream Supplier and Participant pursuant to the terms of the Upstream Supply Contract. Additionally, Participant agrees, for the benefit of Issuer and Prepay LLC, that neither Issuer nor Prepay LLC shall have any liability to Participant in respect of any obligation of Upstream Supplier that is included in the Retained Rights and Obligations.

(c) **Scheduling**. All scheduling of Gas and other communications related to the Upstream Supply Contract shall take place between Participant and Upstream Supplier pursuant to the terms of the Upstream Supply Contract; provided that (i) Participant and Upstream Supplier will provide copies of all billing statements delivered during the Assignment Period to J. Aron and Issuer contemporaneously upon delivery of such statements to the other party to the Upstream Supply Contract; (ii) title to Assigned Gas will pass to J. Aron upon delivery by Upstream Supplier at the Assigned Delivery Point in accordance with the Upstream Supply Contract; (iii) immediately thereafter, title to such Assigned Gas will pass to Prepay LLC, Issuer and then to Participant upon delivery by J. Aron at the same point where title is passed to J. Aron pursuant to clause (ii) above; and (iv) Participant will be deemed to be acting as J. Aron's agent with regard to scheduling Assigned Gas.

(d) **Setoff of Receivables**. Pursuant to the Prepaid Agreement, Prepay LLC has agreed to purchase the rights to payment of the net amounts owed by Participant under the Commodity Supply Contract ("**Receivables**") in the case of non-payment by Participant. To the extent any such Receivables relate to Assigned Gas purchased by J. Aron pursuant to the Assigned Rights and Obligations, Prepay LLC may sell such Receivables to J. Aron and J. Aron may transfer such Receivables to Upstream Supplier and apply the face amount of such Receivables as a reduction to any Delivered Gas Payment Obligations; provided, however, that at no time shall Upstream Supplier be required to pay J. Aron for any amounts by which such Receivables exceed any Delivered Gas Payment Obligations then due and owed to Upstream Supplier. To effect such transfer, J. Aron shall deliver to Upstream Supplier a notice of intent to transfer Receivables not later than the payment due date for the Delivered Gas Payment Obligations and shall deliver to Upstream Supplier a bill of sale signed by J. Aron not later than five Business Days thereafter.

(e) **Amendments**. Neither Participant nor Upstream Supplier will consent to any amendment, waiver, supplement or other modification to the Upstream Supply Contract that would in any way affect the Assigned Rights and Obligations or J. Aron's rights or obligations under this Assignment Agreement without J. Aron's prior written consent, which consent may be

withheld in J. Aron's sole discretion. J. Aron agrees to respond to any requests for consent within 10 business days of receipt of any such request. Participant and Upstream Supplier will provide written notice (including copies thereof) of any other proposed or actual amendment, waiver, supplement, modification, or other changes to the Upstream Supply Contract to J. Aron prior to the effectiveness thereof.

Section 4. Forward Contract.

The Parties acknowledge and agree that this Agreement constitutes a "forward contract" and that the Parties shall constitute "forward contract merchants" within the meaning of the United States Bankruptcy Code.

Section 5. Assignment Period; Assignment Early Termination.

(a) **Assignment Period**. The "**Assignment Period**" shall begin on the Assignment Period Start Date and extend until the Assignment Period End Date; provided that in no event shall the Assignment Period extend past an Assignment Early Termination Date.

(b) **Early Termination**. An "**Assignment Early Termination Date**" will occur under the following circumstances and as of the dates specified below:

i. the assignment of the Commodity Supply Contract by any party thereto, which Assignment Early Termination Date shall occur immediately as of the time of such assignment;

ii. the suspension, expiration, or termination of performance under the Upstream Supply Contract for any reason other than the occurrence of Force Majeure under and as defined in the Upstream Supply Contract, which Assignment Early Termination Date shall occur immediately as of the time of Upstream Supplier's last performance under the Upstream Supply Contract following such suspension, expiration, or termination;

iii. termination or suspension of deliveries for any reason other than force majeure under any of the Prepay Commodities Contracts, which Assignment Early Termination Date shall occur immediately as of the time of the last deliveries under the relevant contract following such suspension or termination;

iv. the election of J. Aron in its sole discretion to declare an Assignment Early Termination Date as a result of (A) any event or circumstance that would give either Participant or Upstream Supplier the right to terminate or suspend performance under the Upstream Supply Contract (regardless of whether Participant or Upstream Supplier exercises such right) or (B) the execution of an amendment, waiver, supplement, modification or other change to the Upstream Supply Contract that adversely affects the Assigned Rights and Obligations or J. Aron's rights or obligations under this Agreement (provided that J. Aron shall not have a right to terminate under this clause (B) to the extent that J. Aron (I) receives prior notice of such change and (II) provides its written consent thereto), which Assignment Early

Termination Date shall occur upon the date set forth in a written notice of such election delivered by J. Aron to Participant and Upstream Supplier;

v. the election of Upstream Supplier in its sole discretion to declare an Assignment Early Termination Date if J. Aron fails to pay when due any amounts owed to Upstream Supplier in respect of any Delivered Gas Payment Obligation and such failure continues for five Business Days following receipt by J. Aron and Participant of written notice thereof, which Assignment Early Termination Date shall occur upon the date set forth in a written notice of such election delivered by Upstream Supplier to J. Aron and Participant; or

vi. the election of Upstream Supplier in its sole discretion to declare an Assignment Early Termination Date if either (a) an involuntary case or other proceeding is commenced against J. Aron seeking liquidation, reorganization or other relief with respect to it or its debts under any applicable Federal or State bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or similar law now or hereafter in effect or seeking the appointment of a custodian, receiver, liquidator, assignee, trustee, sequestrator or similar official of it or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed and unstayed, or an order or decree approving or ordering any of the foregoing is entered and continued unstayed and in effect, in any such event, for a period of 60 days, or (b) J. Aron commences a voluntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or other similar law or any other case or proceeding to be adjudicated as bankrupt or insolvent, or J. Aron consents to the entry of a decree or order for relief in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against it, files a petition or answer or consent seeking reorganization or relief under any applicable Federal or State law, or consents to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or similar official of J. Aron or any substantial part of its property, or makes an assignment for the benefit of creditors, or admits in writing its inability to pay its debts generally as they become due, which Assignment Early Termination Date shall occur immediately on the date of Upstream Supplier's delivery of notice of its election to J. Aron and Participant.

(c) **Reversion of Assigned Rights and Obligations**. The parties acknowledge and agree that upon the occurrence of an Assignment Early Termination Date the Assigned Rights and Obligations will revert from J. Aron to Participant. Any Assigned Rights and Obligations that would become due for payment or performance on or after such Assignment Early Termination Date shall immediately and automatically revert from J. Aron to Participant, provided that (i) J. Aron shall remain responsible for the Delivered Gas Payment Obligation with respect to any Gas delivered to J. Aron prior to the Assignment Early Termination Date, and (ii) any legal restrictions on the effectiveness of such reversion (whether arising under bankruptcy law or otherwise) shall not affect the occurrence of the Assignment Early Termination Date.

Section 6. Representations and Warranties.

(a) **Copy of Upstream Supply Contract**. As of the Assignment Agreement Effective Date, Upstream Supplier and Participant represent and warrant to J. Aron that a true, complete, and correct copy of the Upstream Supply Contract as of such date is attached hereto as Appendix 3.

(b) **No Default**. As of the Assignment Agreement Effective Date, Upstream Supplier and Participant represent and warrant to J. Aron that, to their knowledge, no event or circumstance exists (or would exist with the passage of time or the giving of notice) that would give either of them the right to terminate the Upstream Supply Contract or suspend performance thereunder.

(c) **Other**. Each of Participant and Upstream Supplier represents and warrants to each other and to J. Aron as of the Assignment Agreement Effective Date that:

(1) it has made no prior transfer (whether by way of security or otherwise) of any interest in the Assigned Rights and Obligations; and

(2) all obligations of Participant and Upstream Supplier under the Upstream Supply Contract required to be performed on or before the Assignment Period Start Date have been fulfilled.

(d) **Representations**. Each Party represents to each of the other Parties:

(1) **Status**. It is duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation and, if relevant under such laws, in good standing.

(2) **Powers**. It has the power to execute, deliver and to perform its obligations under this Agreement and has taken all necessary action to authorize such execution, delivery and performance.

(3) **No Violation or Conflict**. Such execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby, including the incurrence by such Party of its obligations under this Agreement, will not result in any violation of, or conflict with: (i) any term of any material contract or agreement applicable to it; (ii) any of its charter, bylaws, or other constitutional documents; (iii) any determination or award of any arbitrator applicable to it; or (iv) any license, permit, franchise, judgment, writ, injunction or regulation, decree, order, charter, law, ordinance, rule or regulation of any Government Agency, applicable to it or any of its assets or properties or to any obligations incurred by it or by which it or any of its assets or properties or obligations are bound or affected, and shall not cause a breach of, or default under, any such term or result in the creation of any lien upon any of its properties or assets, in any case, which in any material respect, affects the validity of this Agreement or the due performance by such party of its obligations contained herein.

(4) **Consents**. All consents, approvals, orders or authorizations of (including the due authorization of such Party and its governing body); and to its knowledge, all registrations, declarations, filings or giving of notice to, or obtaining of any licenses or permits from, or taking of any other action with respect to, any Person or Government Agency, that are required to have been obtained or made by such Party with respect to this Agreement and the transactions contemplated hereby, including any approval or consent of any security holder of such Party or any holder (or any trustee for any holder) of any indebtedness or other obligation of such Party, have been obtained and are in full force and effect and all conditions of any such consents have been complied with.

(5) **Obligations Binding**. Its obligations under this Agreement constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

(6) **Non-Reliance**. It is acting for its own account, and it has made its own independent decisions to enter into this Agreement and as to whether this Agreement is appropriate or proper for it based upon its own judgment and upon advice from such advisers as it has deemed appropriate. It is not relying on any communication (written or oral) of the other Parties as investment advice or as a recommendation to enter into this Agreement, it being understood that information and explanations related to the terms and conditions of this Agreement shall not be considered investment advice or a recommendation to enter into this Agreement. It is entering into this Agreement as a bona-fide, arm's-length transaction involving the mutual exchange of consideration and, once executed by all Parties, considers this Agreement a legally enforceable contract. No communication (written or oral) received from any of the other Parties shall be deemed to be an assurance or guarantee as to the expected results of this Agreement.

(7) **Assessment and Understanding**. It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts, the terms, conditions and risks of this Agreement. It is also capable of assuming, and assumes, the risks of this Agreement.

(8) **Status of Parties**. None of the other Parties is acting as a fiduciary for or an adviser to it in respect of this Agreement.

Section 7. Counterparts.

This Agreement (and each amendment, modification and waiver in respect of it) may be executed and delivered in counterparts (including by email), each of which will be deemed an original.

Section 8. Costs and Expenses.

The Parties will each pay their own costs and expenses (including legal fees) incurred in connection with this Agreement and as a result of the negotiation, preparation, and execution of this Agreement.

Section 9. Amendments.

No amendment, modification, or waiver in respect of this Agreement will be effective unless in writing and executed by each of the Parties.

Section 10. Notices.

Any notice, demand, statement or request required or authorized by this Agreement to be given by one Party to another shall be in writing, except as otherwise expressly provided herein. It shall be sent by email transmission, courier, or personal delivery (including overnight delivery service) to each of the notice recipients and addresses for each of the other Parties designated in Appendix 2 hereto. Any such notice, demand, or request shall be deemed to be given (i) when sent by email transmission, or (ii) when actually received if delivered by courier or personal delivery (including overnight delivery service). Each Party shall have the right, upon written 10 days' prior written notice to the other Parties, to change its address at any time, and to designate that copies of all such notices be directed to another person at another address. The Parties may mutually agree in writing at any time to deliver notices, demands or requests through alternate or additional methods. Notwithstanding the foregoing, a Party may at any time notify the other Parties that any notice, demand, statement or request to it must be provided by email transmission for a specified period of time or until further notice, and any communications delivered by means other than email transmission during the specified period of time shall be ineffective.

Section 11. Governing Law; Jurisdiction; Waiver of Jury Trial.

(a) **Governing Law**. THIS AGREEMENT AND THE RIGHTS AND DUTIES OF THE PARTIES UNDER THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED, ENFORCED AND PERFORMED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ANY CONFLICTS OF LAWS PROVISIONS THAT WOULD DIRECT THE APPLICATION OF ANOTHER JURISDICTION'S LAWS; PROVIDED THAT THE AUTHORITY OF PARTICIPANT TO ENTER INTO AND PERFORM ITS OBLIGATIONS UNDER THIS AGREEMENT SHALL BE DETERMINED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA.

(b) Jurisdiction. ALL JUDICIAL PROCEEDINGS BROUGHT AGAINST ANY PARTY ARISING OUT OF OR RELATING HERETO SHALL BE BROUGHT EXCLUSIVELY IN THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA FOR THE EASTERN DISTRICT OF CALIFORNIA. BY EXECUTING AND DELIVERING THIS

AGREEMENT, EACH PARTY IRREVOCABLY ACCEPTS GENERALLY AND UNCONDITIONALLY THE EXCLUSIVE JURISDICTION AND VENUE OF SUCH COURTS; WAIVES ANY DEFENSE OF *FORUM NON CONVENIENS*; AND AGREES THAT SERVICE OF ALL PROCESS IN ANY SUCH PROCEEDING IN ANY SUCH COURT MAY BE MADE BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE PARTY AT ITS ADDRESS PROVIDED IN ACCORDANCE WITH SECTION 10, AGREES THAT SERVICE AS PROVIDED ABOVE IS SUFFICIENT TO CONFER PERSONAL JURISDICTION OVER THE PARTY IN ANY SUCH PROCEEDING IN ANY SUCH COURT, AND OTHERWISE CONSTITUTES EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT.

(c) **Waiver of Right to Trial by Jury**. EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY SUIT, ACTION OR PROCEEDING RELATING TO THIS AGREEMENT. EACH PARTY (I) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF EITHER OF THE OTHER PARTIES HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF SUCH A SUIT ACTION OR PROCEEDING, SEEK TO ENFORCE THE FOREGOING WAIVER AND (II) ACKNOWLEDGES THAT IT AND EACH OF THE OTHER PARTIES HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 11(C).

Section 12. **U.S. Resolution Stay Provisions**.

(a) **Recognition of the U.S. Special Resolutions Regimes**.

(i) In the event that J. Aron becomes subject to a proceeding under (A) the Federal Deposit Insurance Act and the regulations promulgated thereunder or (B) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder (a "U.S. Special Resolution Regime") the transfer from J. Aron of this Agreement, and any interest and obligation in or under, and any property securing, this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any interest and obligation in or under, and any property securing, this Agreement were governed by the laws of the United States or a state of the United States.

(ii) In the event that J. Aron or an Affiliate becomes subject to a proceeding under a U.S. Special Resolution Regime, any Default Rights (as defined in 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable ("Default Right")) under this Agreement that may be exercised against J. Aron are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

(b) **Limitation on Exercise of Certain Default Rights Related to an Affiliate's Entry into Insolvency Proceedings**. Notwithstanding anything to the contrary in this Agreement, the Parties expressly acknowledge and agree that:

(i) Participant and Upstream Supplier shall not be permitted to exercise any Default Right with respect to this Agreement or any Affiliate Credit Enhancement that is related, directly or indirectly, to an Affiliate of J. Aron becoming subject to receivership, insolvency, liquidation, resolution, or similar proceeding (an "Insolvency Proceeding"), except to the extent that the exercise of such Default Right would be permitted under the provisions of 12 C.F.R. 252.84, 12 C.F.R. 47.5 or 12 C.F.R. 382.4, as applicable; and

(ii) Nothing in this Agreement shall prohibit the transfer of any Affiliate Credit Enhancement, any interest or obligation in or under such Affiliate Credit Enhancement, or any property securing such Affiliate Credit Enhancement, to a transferee upon or following an Affiliate of J. Aron becoming subject to an Insolvency Proceeding, unless the transfer would result in Participant or Upstream Supplier being the beneficiary of such Affiliate Credit Enhancement in violation of any law applicable to Participant or Upstream Supplier, respectively.

(c) **U.S. Protocol**. To the extent that Participant and Upstream Supplier each adhere to the ISDA 2018 U.S. Resolution Stay Protocol, as published by the International Swaps and Derivatives Association, Inc. as of July 31, 2018 (the "ISDA U.S. Protocol"), the terms of the ISDA U.S. Protocol will supersede and replace the terms of this Section 12.

(d) **Definitions**. For purposes of this Section 12:

(1) "**Affiliate**" is defined in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

(2) "**Credit Enhancement**" means any credit enhancement or credit support arrangement in support of the obligations of J. Aron under or with respect to this Agreement, including any guarantee, collateral arrangement (including any pledge, charge, mortgage or other security interest in collateral or title transfer arrangement), trust or similar arrangement, letter of credit, transfer of margin or any similar arrangement.

IN WITNESS WHEREOF, the Parties have executed this Agreement effective as of the date first set forth above.

J. ARON & COMPANY LLC

By: _____

Name:_____

Title:_____

TURLOCK IRRIGATION DISTRICT

By: _____

Name:_____

Title:_____

[UPSTREAM SUPPLIER]

By: _____

Name:_____

Title:_____

Appendix 1

Assigned Rights and Obligations

Assigned Daily Quantity: [____]

Assigned Contract Price: [____]

Assigned Delivery Point: PG&E Citygate

Further Information: [____]

Appendix 2

Notice Information

[To be completed before signing.]

Appendix 3

Copy of Upstream Supply Contract

[To be attached.]

EXHIBIT G-2

ELECTRICITY COMMUNICATIONS PROTOCOL

This Exhibit G-2 ("Communications Protocol") addresses the Scheduling of Electricity to be delivered to and received at the Delivery Point under the Agreement. It is intended to be attached to the Prepaid Agreement and each Participant Contract, each as defined below.

1. ADDITIONAL DEFINED TERMS

In addition to the terms defined in Article I of this Agreement, the following terms used in this Communications Protocol shall have the following meanings:

1.1 "Agreement" means (i) when this Communications Protocol is attached to the Prepaid Agreement, the Prepaid Agreement and (ii) when this Communications Protocol is attached to a Participant Contract, the Participant Contract.

1.2 "Beneficiary" has the meaning specified in Section 2.3.

1.3 "Burdened Party" has the meaning specified in Section 2.3.

1.4 "Buyer" has the meaning specified in the Prepaid Agreement.

1.5 "Delivery Scheduling Entity" means for each Delivery Point, J. Aron or a Person designated for such Delivery Point by J. Aron, as set forth in Attachment 4 or in a subsequent written notice to Buyer and the relevant Project Participant.

1.6 "Notified Party" has the meaning specified in Section 5.1.

1.7 "Notifying Party" has the meaning specified in Section 5.1.

1.8 "Operational Nomination" has the meaning specified in Section 4.1.1.

1.9 "Participant Contract" means (i) when this Communications Protocol is attached to the Prepaid Agreement, each Commodity Supply Contract and (ii) when this Communications Protocol is attached to a Participant Contract, the agreement to which it is attached.

1.10 "Prepaid Agreement" means the Prepaid Commodity Sales Agreement, dated as of [___], 2025 by and between J. Aron and Buyer.

1.11 "Project Participant" means the "Purchaser" under each Participant Contract.

1.12 "Receipt Scheduling Entity" the Project Participant, unless the Participant Contract has been suspended or terminated, in which case the Receipt Scheduling Entity will be Buyer or a Person designated by Buyer for such Delivery Point in accordance with this Communications Protocol.

1.13 "Relevant Contract" means the Prepaid Agreement and the Participant Contract.

1.14 "Relevant Party" means Buyer, J. Aron and the Project Participant.

1.15 "Relevant Third Party" means any Person that is (i) a Transmission Provider that will or is intended to transport Electricity to be delivered or received under the Agreement, (ii) an independent system operator or control area that coordinates the Scheduling of Electricity at the Delivery Point, (iii) Scheduling at the receiving Electricity from Buyer or for the account of Buyer to the extent such Electricity has been delivered to Buyer or for the account of Buyer under the Commodity Supply Contract, and (iv) delivering Electricity to Seller or for the account of Seller to the extent such Electricity is intended to be re-delivered ultimately to the Project Participant or for the account of the Project Participant under the Commodity Supply Contract.

1.16 "Scheduling Entities" means the Receipt Scheduling Entities and the Delivery Scheduling Entities.

1.17 "Seller" has the meaning specified in the Prepaid Agreement.

2. AGREEMENTS OF RELEVANT PARTIES

Each Relevant Party that is a party to a Relevant Contract to which this Communications Protocol is attached acknowledges that this Communications Protocol sets forth certain obligations that may be delegated to other Relevant Parties that are not parties to such Relevant Contracts. In connection therewith:

2.1 Each Relevant Party shall be entitled to rely exclusively on any communications or directions given by a Delivery Scheduling Entity or Receipt Scheduling Entity, in each case to the extent such communications are permitted hereunder;

2.2 Each Relevant Party will cause its counterparty to each Relevant Contract to comply with the provisions of this Communications Protocol as the provisions apply to the such counterparty;

2.3 To the extent this Communications Protocol purports to give any Relevant Party (a "Beneficiary") rights *vis-à-vis* any other Relevant Party (a "Burdened Party") with whom such Beneficiary does not have privity under Relevant Contract, such Beneficiary shall be deemed to be a third-party beneficiary of each Relevant Contract to which the Burdened Party is a party;

2.4 No Relevant Party may amend, waive or otherwise modify any provision of Relevant Contract to which it is a party without the consent of each other Relevant Party whose rights or obligations would be materially and adversely affected by such amendment, waiver or modification as it relates to this Communications Protocol;

2.5 No Relevant Party will amend any provision of this Communications Protocol in Relevant Contract without the consent of each other Relevant Party; and

2.6 No Relevant Party will waive any provision of this Communications Protocol in Relevant Contract without the consent of each other Relevant Party whose rights or obligations would be materially and adversely affected by such waiver.

3. DESIGNATION AND REPLACEMENT OF SCHEDULING ENTITIES

3.1 J. Aron may designate a new Delivery Scheduling Entity upon thirty (30) days written notice to Buyer substantially in the form of Attachment 4. Any Scheduling Entity designated in accordance with this Section 3.1 shall commence service at the beginning of a Month, unless mutually agreed in writing between J. Aron and Buyer.

3.2 If any Delivery Scheduling Entity (other than J. Aron) persistently fails to perform its obligations as contemplated under this Communications Protocol, the Receipt Scheduling Entity may, by notice to J. Aron, require that J. Aron deal directly with the Receipt Scheduling Entity until a new Delivery Scheduling Entity is designated in accordance with Section 3.1.

4. INFORMATION EXCHANGE AND COMMUNICATION BETWEEN BUYER AND J. ARON

4.1 Communication of Operational Nomination Details

4.1.1 Not later than 15 days prior to each day during which Electricity is required to be delivered under the Agreement, the Receipt Scheduling Entity for such Delivery Point may deliver an operational nomination in writing (the "Operational Nomination") indicating any inability of a Project Participant to receive all of its Hourly Quantities during such day, which Operational Nomination shall be without prejudice to any party's rights under the Relevant Agreements for failure to receive Hourly Quantities. If no changes to Hourly Quantities are so submitted, the Operational Nomination shall be deemed to nominate the full Hourly Quantities required to be delivered on a day.

4.1.2 Not later than 15 days prior to each day during which Electricity is required to be delivered under the Agreement, the Delivery Scheduling Entity for such Delivery Point may revise the Operational Nomination to indicate any inability of Seller to deliver all Hourly Quantities during such day, which revised Operational Nomination shall be without prejudice to any party's rights under the Relevant Agreements for failure to deliver Hourly Quantities.

4.2 Event-Specific Communications

4.2.1 Remarketing Notices issued by Buyer under the Prepaid Agreement shall be substantially in the form of Attachment 2. Any such notices to remarket must be delivered directly to Seller and the Delivery Scheduling Entity.

4.2.2 Each Scheduling Entity shall notify Seller, Buyer and the Project Participant as soon as practicable in the event of: (i) any deficiencies in Scheduling related to such Scheduling Entity; (ii) any deficiencies in Scheduling related to the other such Scheduling Entity; and (iii) any issues with Relevant Third Parties that that would reasonably be expected to create issues related to Electricity Scheduling under the Relevant Agreement.

5. ACCESS AND INFORMATION

5.1 In addition to the delivery of and access to the records and data required pursuant to the Agreement, each Relevant Party agree to provide relevant records from itself and other Relevant Third Parties necessary to document and verify Electricity Scheduled within and after the Month as needed to facilitate the Electricity Agreements.

5.2 To the extent requested by a Delivery Scheduling Entity or J. Aron, the Receipt Scheduling Entities will use Commercially Reasonable Efforts to cooperate with the Delivery Scheduling Entity and J. Aron to ensure that Delivery Scheduling Entity and J. Aron has sufficient agency view rights from each such Scheduling Entity to allow Seller to view Electricity Scheduling at the Delivery Point.

6. NOTICES

Any notice, demand, request or other communication required or authorized by this Communications Protocol to be given by one Relevant Party to another Relevant Party shall be in writing, except as otherwise expressly provided herein. It shall either be sent by facsimile (with receipt confirmed by telephone and electronic transmittal receipt), courier, or personally delivered (including overnight delivery service) to the representative of the other Relevant Party designated in Attachment 1 hereto. Any such notice, demand, or request shall be deemed to be given (i) when sent by facsimile confirmed by telephone and electronic transmittal receipt, (ii) when actually received if delivered by courier or personal delivery (including overnight delivery service). Each Relevant Party shall have the right, upon written notice to the other Relevant Parties, to change its address at any time, and to designate that copies of all such notices be directed to another Person at another address.

7. NO IMPACT ON CONTRACTUAL OBLIGATIONS

Except as expressly set forth herein or in an applicable Relevant Contract, nothing in this Communications Protocol nor any Relevant Party's actions or inactions hereunder shall

have any impact on any Relevant Party's rights or obligations under the Relevant Contracts.

8. ATTACHMENTS

Attachment 1 - Key Personnel
Attachment 2 - Remarketing Notice Form
Attachment 3 - Designation of Alternate Electricity Delivery Points Form
Attachment 4 - Designation of Scheduling Entities Form

Attachment 1

Key Personnel

J. Aron Marketing Personnel:

Timothy Capuano
Sales and Trading
Telephone: (212) 357-2542
gs-prepay-notices@gs.com

J. Aron Scheduling Personnel:

Scheduling Team
Email: ficc-jaron-natgasops@ny.email.gs.com
Direct Phone: (212) 902-8148
Fax: 212.493.9847

Carly Norlander
ICE Chat: cnorlander1
Email: ficc-jaron-natgasops@ny.email.gs.com
Direct Phone: (403) 233-9299
Fax: (212) 493-9847

Other J. Aron Personnel:

Lindsey McInally
Telephone: (212) 855-0880
ficc-struct-sett@gs.com

Andres E. Aguila
Telephone: (212) 855-6008
Fax: (212) 291-2124
andres.aguila@gs.com

Buyer Personnel:

[_____]
[_____]
[_____]
[_____]
[_____]
Phone: [_____]
Email: [_____]

Power Related:
[_____]
[_____]

Invoicing/Payments:
[_____]
[_____]

Attachment 2

Remarketing Notice Form

Date: [_____]

To: J. Aron Scheduling

From: [Project Participant Scheduling]

This notice is being delivered pursuant to that certain Prepaid Commodity Sales Agreement (the "Prepaid Agreement") dated [____], 2025 by and between Aron Energy Prepay 48 LLC ("Seller") and Central Valley Energy Authority ("Buyer") and relates to the Commodity Supply Contract (the "Commodity Supply Contract") dated [___], 2025 by and between Buyer and Turlock Irrigation District ("Project Participant"). Capitalized terms not defined herein are defined in the Prepaid Agreement.

Check the box to indicate type of Remarketing Notice (The numbers of the Primary ("P") and Alternate ("A") Delivery Points below correspond to those same Primary and Alternate Electricity Delivery Points set forth in Exhibit A of the Agreement, or as may be designated by the Parties from time to time):

☐ Monthly Remarketing Notice:

Month(s) for which remarketing is requested: _____, 20__ through _____, 20__.

Pursuant to [Section 3(b)] of Exhibit C, Buyer requests that Seller remarket in such Month(s) the following Contract Quantities of Electricity most recently nominated for delivery at the following respective Delivery Point:

Delivery Point (P/A, #)	MWh/Delivery Hour for each Delivery Hour in the Month

☐ Daily Remarketing Notice:
Delivery Hours for which remarketing is requested: _____, 20__ through _____, 20__.

Pursuant to [Section 3(c)] of Exhibit C, Buyer requests that Seller remarket for such Delivery Hours the following Contract Quantities of Electricity most recently nominated for delivery at the following respective Delivery Point:

Delivery Point (P/A, #)	**MWh/Delivery Hour**

Submitted by Buyer:
CENTRAL VALLEY ENERGY AUTHORITY

By: _____
Name:
Title:

Attachment 3

Designation of Alternate Electricity Delivery Points Form

This designation is delivered pursuant to that certain Prepaid Commodity Sales Agreement (the "Prepaid Agreement") dated [_____], 2025 by and between Aron Energy Prepay 48 LLC ("Seller") and Central Valley Energy Authority ("Buyer") and the Commodity Supply Contract (the "Commodity Supply Contract") dated [____], 2025 by and between Buyer and Turlock Irrigation District ("Project Participant"). Capitalized terms not defined herein are defined in the Prepaid Agreement and the Commodity Supply Contract. [Project Participant]/[Buyer] hereby proposes the following Alternate Electricity Delivery Points for deliveries of Electricity that would otherwise be made at the specified Primary Electricity Delivery Point:

Alternate Electricity Delivery Point	Primary Electricity Delivery Point Affected	Daily Commodity Reference Price Pricing Point	Additional Restrictions
1			[e.g. Vol. Limit:____ Time Limit:]___
2			
3			
(etc.)			

Unless otherwise agreed between Seller, Buyer and the Project Participant, an Alternate Electricity Delivery Point shall utilize the same Daily Commodity Reference Price and Monthly Index Price as the Primary Electricity Delivery Point it replaces or otherwise affects. Buyer is not required to agree and accept this designation if the Project Participant has been designated as the Receipt Scheduling Entity for the affected Primary Electricity Delivery Point by Buyer pursuant to Exhibit G-1 of the Prepaid Agreement but shall be deemed to have accepted such designation if it accepted by Seller. A Project Participant is not required to agree or accept this designation (or any change to the Daily Commodity Reference Price and Monthly Index Price) if it is being submitted by Buyer pursuant to the Prepaid Agreement only.

AGREED AND ACCEPTED BY SELLER:	**(if required) AGREED TO AND ACCEPTED BY PROJECT PARTICIPANT:**	**(if required) AGREED TO AND ACCEPTED BY BUYER:**
By: Name: Title:	By: Name: Title:	By: Name: Title:

Attachment 4

Designation of Scheduling Entities Form

This designation is being delivered pursuant to that certain Prepaid Commodity Sales Agreement (the "Prepaid Agreement") dated [___], 2025 by and between Aron Energy Prepay 48 LLC ("Seller") and Central Valley Energy Authority ("Buyer") and relates to the Commodity Supply Contract (the "Commodity Supply Contract") dated [___], 2025 by and between Buyer and Turlock Irrigation District ("Project Participant"). Capitalized terms not defined herein are defined in the Prepaid Agreement.

[If delivered by Buyer:

Receipt Scheduling Entity:

Delivery Point: _____

Effective Date(s) of Service of Receipt Scheduling Entity (full Months only):
_____, _____ to _____, _____, if applicable

Notice Information for Receipt Scheduling Entity:

Name: _____
Attention: _____
Address: _____
_____
Telephone: _____
Fax: _____]

[If delivered by Seller:

Delivery Scheduling Entity:

Delivery Point: _____

Effective Date(s) of Service of Delivery Scheduling Entity (full Months only):

_____, _____ to _____, _____, if applicable

Notice Information for Delivery Scheduling Entity:

Name: _____
Attention: _____
Address: _____
_____

Telephone: _____
Fax: _____
Submitted by:

[Buyer or Seller]

By: _____
Name: _____
Title: _____

EXHIBIT H

ASSIGNMENT OF ASSIGNABLE CONTRACTS

1. General Requirements.

1.1. Assigned Rights and Obligations may only be assigned during the Electricity Delivery Period. During the Electricity Delivery Period, Assigned Rights and Obligations under an Assignable Contract may only be assigned under this Exhibit H if the following requirements are satisfied:

1.1.1. The seller under such Assignable Contract (the "APC Party") either (i) has a long-term senior unsecured credit rating that is "Baa3" or higher from Moody's Investor's Service, Inc. (or any successor to its credit rating service operation), "BBB-" or higher from Standard & Poor's Ratings Services (or any successor to its credit rating service operation) or "A" or higher from Fitch Ratings, Inc. (or any successor to its credit rating service operation), (ii) provides alternative credit support that is reasonably satisfactory to J. Aron or (iii) otherwise provides evidence of its creditworthiness that is reasonably satisfactory to J. Aron;

1.1.2. The APC Party can satisfy J. Aron's internal requirements as they relate to "know your customer" rules, policies and procedures, anti-money laundering rules and regulations, Dodd-Frank Act, Commodity Exchange Act, Patriot Act and similar rules, regulations, requirements and corresponding policies;

1.1.3. The APC Party is organized in the United States and in a jurisdiction that does not present material and adverse tax consequences to J. Aron or Issuer in connection with such proposed assignment, provided that, for the avoidance of doubt, Issuer shall have an obligation to reimburse J. Aron for any adverse tax consequences that are not material;

1.1.4. The Applicable Project (as defined below) is reasonably expected to be able to generate the P99 Generation (as defined below), as agreed by Purchaser and J. Aron; *provided* that, if Purchaser and J. Aron are unable to reach agreement after good faith discussions, then J. Aron shall make such determination in its sole discretion.

1.1.5. J. Aron, Purchaser, and Issuer have agreed on and executed an Assignment Schedule for such assignment;

1.1.6. J. Aron, Purchaser, Issuer, and the applicable APC Party have agreed on and executed an Assignment Agreement for such assignment;

1.1.7. Any such Assignable Contract must terminate on or before the end of the Electricity Delivery Period; and

1.1.8. The contract price (in $/MWh) payable by Purchaser under the applicable Assignable Contract (the "APC Contract Price") is a fixed price unless Issuer, Purchaser and J. Aron agree, each in their sole discretion, to appropriate changes to the relevant documents to accommodate a floating APC Contract Price. For purposes of this Exhibit H, a "fixed price" shall be deemed to include any price that is fixed but for a periodic escalation (whether pre-determined or by reference to a price index).

2. Proposed Assignment. Purchaser may propose an assignment under Article XV of the Commodity Supply Contract by delivering the following items to Issuer and to J. Aron:

2.1. A written notice of the proposed assignment signed by Purchaser;

2.2. A true and complete copy of the Assignable Contract under which such Assigned Rights and Obligations would arise;

2.3. Evidence reasonably satisfactory to Issuer and J. Aron that all authorizations, consents, approvals, licenses, rulings, permits, exemptions, variances, orders, judgments, decrees, declarations of or regulations by any Government Agency necessary in connection with the transactions contemplated by the Assignable Contract and the assignment of the Assignable Contract to J. Aron have been obtained and are in full force and effect;

2.4. A description and information regarding the applicable project to which the Assignable Contract applies (the "Applicable Project"), including but not limited to information on the location, interconnection(s), and operating history of Applicable Project;

2.5. Purchaser shall deliver monthly historical generation and meteorological data of the Applicable Project dating back to the commercial operation date and, if readily available, a report from a nationally recognized consultant in the energy industry that is reasonably acceptable to Issuer and J. Aron showing the "P99" forecasted generation ("P99 Generation"); and

2.6. Such additional information as Issuer and J. Aron may reasonably request regarding the Assignable Contract and the APC Party.

Following Issuer's and J. Aron's receipt of such information, Purchaser and Issuer will, and Issuer will cause J. Aron to, (i) negotiate in good faith with one another regarding a potential Assignment Schedule, with the initial draft of such Assignment Schedule to be developed by J. Aron, and (ii) negotiate in good faith with one another and the APC Party regarding an Assignment Agreement, in each case related to the proposed assignment. If such Assignment Schedule and Assignment are agreed to by the representative parties thereto, the applicable parties will execute such Assignment Agreement and Assignment Schedule to be effective upon the assignment of the Assigned Rights and Obligations from Purchaser to J. Aron pursuant to the Assignment Agreement. For the avoidance of doubt, Purchaser acknowledges that J. Aron will not be required

to execute any Assignment Agreement, Assignment Schedule, or otherwise accept any Assigned Rights and Obligations unless the APC Party (i) satisfies J. Aron's internal requirements as they relate to "know your customer" rules, policies and procedures, anti-money laundering rules and regulations, Dodd-Frank Act, Commodity Exchange Act, Patriot Act and similar rules, regulations, requirements and corresponding policies, (ii) is organized in the United States, and (iii) satisfies all other requirements in Section 1 of this Exhibit H.

3. Assignment Schedule. In connection with each assignment, an "Assignment Schedule" will be prepared in the form attached hereto as Attachment 1 (with such changes as agreed by the Parties in their sole discretion), must be executed by Purchaser, Issuer and J. Aron, and must include each of the following:

3.1. The term of such Assigned Rights and Obligations (the "Assignment Period") shall have the meaning specified in each applicable Assignment Agreement and shall (i) end not later than one (1) Month prior to the end of the current Reset Period, (ii) not commence any earlier than sixty (60) days after Purchaser's original notice under Section 2.1 above, and (iii) have a primary term that does not exceed 12 Months in duration (*provided*, for the avoidance of doubt, the primary term references the term of the Assignment Period and not the term of a Assignable Contract). To the extent mutually agreed upon by all parties to the Assignment Schedule, the Assignment Period may include a month-to-month or annual renewal term that may be terminated upon written notice of termination 30 days prior to the end of any renewal term.

3.2. For any Assignable Contract to be assigned during the Electricity Delivery Period, a description of the Applicable Project or upstream supplier.

3.3. For any Assignable Contract to be assigned during the Electricity Delivery Period, the P99 Generation and P50 Generation of the Applicable Project and, if the Assigned Quantities that Purchaser wishes to include in the Assigned Rights and Obligations is less than the total P99 forecasted generation available from the Applicable Project, the Assigned Quantities as so limited. Purchaser and J. Aron shall in good faith attempt to agree upon the P99 Generation based on the information provided pursuant to Section 2.5 above; *provided* that, if Purchaser and J. Aron are unable to reach agreement, then J. Aron shall make such determination in its sole discretion.

3.4. The "Assigned Prepay Quantity" for each Month of the Assignment Period, which Assigned Prepay Quantity will be the lesser of (i) the P99 Generation of the Applicable Project for such Month, and (ii) the Assigned Quantities as described in Section 3.3 for such Month; *provided* that, in the case of clause (b), the Assigned Prepay Quantity for each Month may not exceed the limit expressed in the proviso to Section 3.5 below.

3.5. An updated Exhibit A to the Commodity Supply Contract reflecting a reduction in Hourly Quantity during the Assignment Period after giving effect to the

Assignment Schedule (the "Reduced Hourly Quantity"), which Reduced Hourly Quantity for each Delivery Hour will equal (i) the Assigned Prepay Quantity for such Delivery Hour (which will be determined by dividing the Assigned Prepay Quantity for the applicable Month by the number of Delivery Hours in such Month), *multiplied by* (ii) the result of (A) the APC Contract Price applicable for such Month, divided by (B) the ***[NOTE: To list the result of the following formula as determined at pricing: Front End Fixed Price + (Active Swap Fee – Standby Swap Fee).]***; *provided* that, in each case, if the Reduced Hourly Quantity for any Month would result in a Contract Quantity of less than zero (0), then the Assigned Prepay Quantity for such Month will be reduced to the closest whole MWh, such that the Contract Quantity is not reduced below zero (0).

3.6. The APC Contract Price, which as set forth in Section 1.7 above must be a fixed price unless Issuer, Purchaser and J. Aron agree to appropriate changes to the relevant documents to accommodate a floating APC Contract Price.

3.7. The Assigned Delivery Point for all Assigned Electricity.

3.8. The APC Contract Price must be inclusive of all Assigned Products. Assigned Products may not include (i) capacity or (ii) any other products that are separately delivered from Electricity (during the Electricity Delivery Period) other than RECs whose delivery may be accomplished through the delivery of a certificate or reporting to an applicable tracking agency.

Attachment 1

FORM OF ASSIGNMENT SCHEDULE

Assigned Product: [____]

Assigned Delivery Point: [____]

Assigned Prepay Quantity: As set forth in Appendix 2; provided that (i) all Assigned Products shall be delivered pursuant to the Limited Assignment Agreement during the Assignment Period as provided in Appendix 1 and (ii) the Assigned Prepay Quantity is defined for the convenience of PPA Buyer and J. Aron and shall have no impact on the obligations of the Parties under the Limited Assignment Agreement.

APC Contract Price: $[____]/MWh

Assignment Period: [____]

Attachment 2

FORM OF ASSIGNMENT AGREEMENT

NOTE: To be attached to the Commodity Supply Contract and may be included as an exhibit to any new Commodity Supply Contract or PPA executed by the municipal utility offtaker along with this language to be added to the Commodity Supply Contract or PPA: "[Seller] agrees that [Buyer] may assign a portion of its rights and obligations under this Agreement to J. Aron and Company, LLC ("J. Aron") at any time upon not less than [___] days' notice by delivering a written request for such assignment, which request must include a proposed assignment agreement in the form attached hereto as [Exhibit ___], with the blanks in such form completed in [Buyer's] sole discretion. *Provided* that [Buyer] delivers a proposed assignment agreement complying with the previous sentence, [Seller] agrees to (i) comply with J. Aron's reasonable requests for know-your-customer and similar account opening information and documentation with respect to [Seller], including but not limited to information related to forecasted generation, credit rating, and compliance with anti-money laundering rules, the Dodd-Frank Act, the Commodity Exchange Act, the PATRIOT Act and similar rules, regulations, requirements and corresponding policies; and (ii) promptly execute such assignment agreement and implement such assignment as contemplated thereby, subject only to the countersignature of J. Aron and Company, LLC and [Buyer]."

This Limited Assignment Agreement (this "**Assignment Agreement**" or "**Agreement**") is entered into as of [_____], by and among [_____], a [_____] ("**PPA Seller**"), [Municipal Participant], a [_____] ("**PPA Buyer**"), and J. Aron & Company LLC, a New York limited liability company ("**J. Aron**"), and relates to that certain power purchase agreement between PPA Buyer and PPA Seller as further described in Appendix 1 (the "**PPA**"). Unless the context otherwise specifies or requires, capitalized terms used but not defined in this Agreement have the meanings set forth in the PPA.

In consideration of the premises above and the mutual covenants and agreements herein set forth, PPA Seller, PPA Buyer and J. Aron (the "**Parties**" hereto; each is a "**Party**") agree as follows:

1. Limited Assignment and Delegation.

(a) PPA Buyer hereby assigns, transfers and conveys to J. Aron all right, title and interest in and to the rights of PPA Buyer under the PPA to receive delivery of the products described on Appendix 1 (the "**Assigned Products**") during the Assignment Period (as defined in Appendix 1), as such rights may be limited or further described in the "Further Information" section on Appendix 1 (the "**Assigned Product Rights**"). All Assigned Products shall be delivered pursuant to the terms and conditions of this Agreement during the Assignment Period as provided in Appendix 1. All other rights of PPA Buyer under the PPA are expressly reserved for PPA Buyer.

(b) PPA Buyer hereby delegates to J. Aron the obligation to pay for all Assigned Products that are actually delivered to J. Aron pursuant to the Assigned Product Rights during the Assignment Period (the "**Delivered Product Payment Obligation**" and together with the Assigned Product Rights, collectively the "**Assigned Rights and Obligations**"); provided that (i) all other obligations of PPA Buyer under the PPA are expressly retained by PPA Buyer and PPA Buyer shall be solely responsible for any amounts due to PPA Seller that are not directly related to Assigned Products; and (ii) the Parties acknowledge and agree that PPA Seller will only be obligated to deliver a

single consolidated invoice during the Assignment Period (with a copy to J. Aron consistent with Section 1(d) hereof). To the extent J. Aron fails to pay for any Assigned Products by the due date for payment set forth in the PPA, PPA Buyer agrees that it will remain responsible for such payment within five (5) Business Days (as defined in the PPA) of receiving notice of such non-payment from PPA Seller.

(c) J. Aron hereby accepts and PPA Seller hereby consents and agrees to the assignment, transfer, conveyance and delegation described in clauses (a) and (b) above.

(d) All scheduling of Assigned Products and other communications related to the PPA shall take place pursuant to the terms of the PPA; provided that (i) title to Assigned Product will pass from PPA Seller to J. Aron upon delivery by PPA Seller of Assigned Product in accordance with the PPA; (ii) PPA Buyer will provide copies to J. Aron of any Notice of a Force Majeure Event or Event of Default or default, breach or other occurrence that, if not cured within the applicable grace period, could result in an Event of Default contemporaneously upon delivery thereof to PPA Seller and promptly after receipt thereof from PPA Seller; (iii) PPA Buyer will provide copies to J. Aron of any forecasts of Energy generation provided by PPA Seller under the PPA; (iv) PPA Seller will provide copies to J. Aron of all invoices and supporting data provided to PPA Buyer pursuant to Section [__], provided that any payment adjustments or subsequent reconciliations occurring after the date that is 10 days prior to the payment due date for a monthly invoice, including pursuant to Section [__], will be resolved solely between PPA Buyer and PPA Seller and therefore PPA Seller will not be obligated to deliver copies of any communications relating thereto to J. Aron; and (v) PPA Buyer and PPA Seller, as applicable, will provide copies to J. Aron of any other information reasonably requested by J. Aron relating to Assigned Products.

(e) PPA Seller acknowledges that (i) J. Aron intends to immediately transfer title to any Assigned Products received from PPA Seller through one or more intermediaries such that all Assigned Products will be re-delivered to PPA Buyer; and (ii) in the event that PPA Buyer fails to pay the relevant intermediary entity for any such Assigned Products, the receivables owed by PPA Buyer for such Assigned Products ("PPA Buyer Receivables") may be transferred to J. Aron. To the extent any such PPA Buyer Receivables are transferred to J. Aron, J. Aron may transfer such PPA Buyer Receivables to PPA Seller and apply the face amount thereof as a reduction to any Delivered Product Payment Obligation. To effect such transfer, J. Aron shall deliver to PPA Seller a notice of intent to transfer PPA Buyer Receivables not later than the payment due date for the Delivered Product Payment Obligation and shall deliver to PPA Seller a bill of sale signed by J. Aron not later than five Business Days thereafter. Thereafter, PPA Seller shall be entitled to pursue collection on such PPA Buyer Receivables directly against PPA Buyer.

(f) The Assigned Prepay Quantity set forth in Appendix 2 relates to obligations by and between J. Aron and PPA Buyer and has no impact on PPA Seller's rights and obligations under the PPA.

2. Assignment Early Termination.

(a) The Assignment Period may be terminated early upon the occurrence of any of the following:

(1) delivery of a written notice of termination specifying a termination date by either J. Aron or PPA Buyer to each of the other Parties;

(2) delivery of a written notice of termination specifying a termination date by PPA Seller to each of J. Aron and PPA Buyer following J. Aron's failure to pay when due any amounts owed to PPA Seller in respect of any Delivered Product Payment Obligation and such payment is not made by J. Aron within five (5) business days following receipt by J. Aron and PPA Buyer of written notice;

(3) delivery of a written notice by PPA Seller if any of the events described in the definition of [Bankrupt] in the PPA occurs with respect to J. Aron; or

(4) delivery of a written notice by J. Aron if any of the events described in the definition of [Bankrupt] in the PPA occurs with respect to PPA Seller.

(b) The Assignment Period will end at the end of last delivery hour on the date specified in the termination notice provided pursuant to Section 2(a), which date shall not be earlier than the end of the last day of the calendar month in which such notice is delivered if termination is pursuant to clause 2(a)(1) or 2(a)(2) above. All Assigned Rights and Obligations shall revert from J. Aron to PPA Buyer upon the early termination of the Assignment Period, provided that (i) J. Aron shall remain responsible for the Delivered Product Payment Obligation with respect to any Assigned Product delivered to J. Aron prior to the end of the Assignment Period, and (ii) any legal restrictions on the effectiveness of such reversion (whether arising under bankruptcy law or otherwise) shall not affect the expiration or early termination of the Assignment Period.

(c) The Assignment Period will automatically terminate upon the expiration or early termination of the PPA. All Assigned Rights and Obligations shall revert from J. Aron to PPA Buyer upon the expiration of or early termination of the PPA, provided that (i) J. Aron shall remain responsible for the Delivered Product Payment Obligation with respect to any Assigned Product delivered to J. Aron prior to the end of the Assignment Period, and (ii) any legal restrictions on the effectiveness of such reversion (whether arising under bankruptcy law or otherwise) shall not affect the expiration or early termination of the Assignment Period.

3. Representations and Warranties. The PPA Seller and the PPA Buyer represent and warrant to J. Aron that (a) the PPA is in full force and effect; (b) no event or circumstance exists (or would exist with the passage of time or the giving of notice) that would give either of them the right to terminate the PPA or suspend performance thereunder; and (c) all of its obligations under the PPA required to be performed on or before the Assignment Period Start Date have been fulfilled.

4. Notices. Any notice, demand, or request required or authorized by this Assignment Agreement to be given by one Party to another Party shall be delivered in accordance with [Article]/[Section] [__] of the PPA and to the addresses of each of PPA Seller and PPA Buyer specified in the PPA. PPA Buyer agrees to notify J. Aron of any updates to such notice information, including any updates provided by PPA Seller to PPA Buyer. Notices to J. Aron shall be provided to the following address, as such address may be updated by J. Aron from time to time by notice to the other Parties:

J. Aron & Company LLC
200 West Street

New York, New York 10282-2198
Email: gs-prepay-notices@gs.com

5. Miscellaneous. Section [__] (Buyer's Representations and Warranties), Article [__] (Confidential Information), Section [__] (No Consequential Damages), Section [__] (Severability), Section [__] (Counterparts), Section [__] (Amendments), Section [__] (No Agency, Partnership, Joint Venture or Lease), Section [__] (Mobile-Sierra), Section [__] (Electronic Delivery), Section [__] (Limitations on Damages) Section [__] (Binding Effect) and Section [__] (No Recourse to Members of Buyer) of the PPA are incorporated by reference into this Agreement, *mutatis mutandis*, as if fully set forth herein.

6. U.S. Resolution Stay Provisions.

(a) In the event that J. Aron becomes subject to a proceeding under (A) the Federal Deposit Insurance Act and the regulations promulgated thereunder or (B) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder (a "**U.S. Special Resolution Regime**") the transfer from J. Aron of this Agreement, and any interest and obligation in or under, and any property securing, this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any interest and obligation in or under, and any property securing, this Agreement were governed by the laws of the United States or a state of the United States.

(b) In the event that J. Aron or an Affiliate becomes subject to a proceeding under a U.S. Special Resolution Regime, any Default Rights (as defined in 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable ("**Default Right**")) under this Agreement that may be exercised against J. Aron are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

(c) Notwithstanding anything to the contrary in this Agreement, the Parties expressly acknowledge and agree that:

(i) PPA Seller and Participant shall not be permitted to exercise any Default Right with respect to this Agreement or any Affiliate Credit Enhancement that is related, directly or indirectly, to an Affiliate of J. Aron becoming subject to receivership, insolvency, liquidation, resolution, or similar proceeding (an "**Insolvency Proceeding**"), except to the extent that the exercise of such Default Right would be permitted under the provisions of 12 C.F.R. 252.84, 12 C.F.R. 47.5 or 12 C.F.R. 382.4, as applicable; and

(ii) Nothing in this Agreement shall prohibit the transfer of any Affiliate Credit Enhancement, any interest or obligation in or under such Affiliate Credit Enhancement, or any property securing such Affiliate Credit Enhancement, to a transferee upon or following an Affiliate of J. Aron becoming subject to an Insolvency Proceeding, unless the transfer would result in PPA Seller or Participant being the beneficiary of such Affiliate Credit Enhancement in violation of any law applicable to PPA Seller or Participant.

(d) If PPA Seller and Participant each adhere to the ISDA 2018 U.S. Resolution Stay Protocol ("**ISDA U.S. Stay Protocol**"), the terms of the ISDA U.S. Stay Protocol will supersede and replace the terms of this Section 12.

(e) For purposes of this Section 12:

(i) "**Affiliate**" is defined in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k); and

(ii) "**Credit Enhancement**" means any credit enhancement or credit support arrangement in support of the obligations of J. Aron under or with respect to this Agreement, including any guarantee, collateral arrangement (including any pledge, charge, mortgage or other security interest in collateral or title transfer arrangement), trust or similar arrangement, letter of credit, transfer of margin or any similar arrangement.

7. Governing Law, Jurisdiction, Waiver of Jury Trial.

(a) **Governing Law.** This Assignment Agreement and the rights and duties of the parties under this Assignment Agreement will be governed by and construed, enforced and performed in accordance with the laws of the State of New York, without reference to any conflicts of laws provisions that would direct the application of another jurisdiction's laws.

(b) **Jurisdiction.** Each party submits to the exclusive jurisdiction of (i) the courts of the State of New York located in the Borough of Manhattan and (ii) the federal courts of the United States of America for the Southern District of New York.

(c) **Waiver of Right to Trial by Jury.** Each party waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any suit, action or proceeding relating to this assignment agreement.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the Parties have executed this Assignment Agreement effective as of the date first set forth above.

[PPA SELLER]

By: _____

Name: _____

Title: _____

[MUNICIPAL PARTICIPANT]

By:_____

Name: _____

Title: _____

J. ARON & COMPANY LLC

By:_____

Name:
Title:

Execution and delivery of the foregoing Assignment Agreement is hereby approved.

CENTRAL VALLEY ENERGY AUTHORITY

By:_____

Name:
Title:

Appendix 1

Assigned Rights and Obligations

PPA: "**PPA**" means that certain [Power Purchase and Sale Agreement] dated [____], 20[_] by and between [____] and [____], as amended from time to time.

"**Assignment Period**" means the period beginning on [_____] and extending until [_____], provided that in no event shall the Assignment Period extend past the earlier of (i) the termination of the Assignment Period pursuant to Section 2 of the Assignment Agreement and (ii) the end of the Delivery Term under the PPA; provided that applicable provisions of this Agreement shall continue in effect after termination of the Assignment Period to the extent necessary to enforce or complete, duties, obligations or responsibilities of the Parties arising prior to the termination.

Assigned Product: "**Assigned Products**" include [____].

Further Information: [____]

Appendix 2

Assigned Prepay Quantity

[NOTE: To be set forth in a monthly volume schedule.]

EXHIBIT I

FORM OF REMEDIATION CERTIFICATE

REMEDIATION CERTIFICATE

[DATE]

Central Valley Energy Authority
333 East Canal Drive
Turlock, CA 95381
[E-mail]

Aron Energy Prepay 48 LLC
[Address]
[E-mail]

Re: Remediation Certificate for the Commodity Supply Contract, dated as of [_____], 2025, between Turlock Irrigation District and Central Valley Energy Authority (the "Commodity Supply Contract")

To the addressees:

The undersigned, duly authorized representative of [_____], a [_____] ("Purchaser"), hereby certifies as follows in connection with the remediation of Disqualified Remarketing Proceeds (as defined below). Capitalized terms used herein shall have the meanings set forth in the Commodity Purchase Contract.

1. Remarketing Request. Pursuant to Section 7.5 of the Commodity Supply Contract, the Contract Quantities listed below have been remarketed in a Private Business Sale as defined in and pursuant to the remarketing provisions of the Prepaid Agreement (the proceeds of any such purchases, "Disqualified Remarketing Proceeds").

Remarketing Date(s)	**Remarketed Quantities ([MMBtu/MWh])**	**Remarketing Price ($/[MMBtu/MWh])**	**Disqualified Remarketing Proceeds ($)**

2. Remarketing and Remediation. Purchaser hereby certifies as follows in connection with the remediation of the Disqualified Remarketing Proceeds described in Section 1 above:

a. Set forth as Attachment 1 hereto is a copy of one or more invoices or statements for the purchase of Commodities under **[NOTE: Insert contract description]** by Purchaser which Purchaser agrees to apply to the remediation of the Disqualified Remarketing Proceeds set forth in Section 1.

Remediation Purchase Date(s)	**Remediation Quantities ([MMBtu/MWh])**	**Remediation Price ($/[MMBtu/MWh])**	**Remediation Dollar Amounts ($)**

b. Purchaser represents and warrants that (i) all of such Commodities were used (A) for a "qualifying use" as defined in U.S. Treas. Reg. § 1.148-1(e)(2)(iii), and (B) in a manner that will not result in any "private business use" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended, 26 U.S.C. §1 *et seq*, and (ii) none of such Commodities (A) is Priority Commodity or (B) has been or will be utilized to remediate any remarketing proceeds for Priority Commodities other than the Disqualified Remarketing Proceeds identified in Section 1.

[*Signature Page Follows*]

In witness whereof the undersigned has executed this Remediation Certificate on and as of the date first written above.

TURLOCK IRRIGATION DISTRICT

By:_____

Name:

Title:

ATTACHMENT 1 TO REMEDIATION CERTIFICATE

Monthly Invoice(s) or Statements

[Purchaser to attach.]

ISDA®

International Swaps and Derivatives Association, Inc.

2002 MASTER AGREEMENT

dated as of [____], 2025

CENTRAL VALLEY ENERGY AUTHORITY and **BP ENERGY COMPANY**

have entered and/or anticipate entering into one or more transactions (each a "Transaction") that are or will be governed by this 2002 Master Agreement, which includes the schedule (the "Schedule"), and the documents and other confirming evidence (each a "Confirmation") exchanged between the parties or otherwise effective for the purpose of confirming or evidencing those Transactions. This 2002 Master Agreement and the Schedule are together referred to as this "Master Agreement".

Accordingly, the parties agree as follows:—

1. Interpretation

(a) ***Definitions.*** The terms defined in Section 14 and elsewhere in this Master Agreement will have the meanings therein specified for the purpose of this Master Agreement.

(b) ***Inconsistency***. In the event of any inconsistency between the provisions of the Schedule and the other provisions of this Master Agreement, the Schedule will prevail. In the event of any inconsistency between the provisions of any Confirmation and this Master Agreement, such Confirmation will prevail for the purpose of the relevant Transaction.

(c) ***Single Agreement***. All Transactions are entered into in reliance on the fact that this Master Agreement and all Confirmations form a single agreement between the parties (collectively referred to as this "Agreement"), and the parties would not otherwise enter into any Transactions.

2. Obligations

(a) ***General Conditions***.

(i) Each party will make each payment or delivery specified in each Confirmation to be made by it, subject to the other provisions of this Agreement.

(ii) Payments under this Agreement will be made on the due date for value on that date in the place of the account specified in the relevant Confirmation or otherwise pursuant to this Agreement, in freely transferable funds and in the manner customary for payments in the required currency. Where settlement is by delivery (that is, other than by payment), such delivery will be made for receipt on the due date in the manner customary for the relevant obligation unless otherwise specified in the relevant Confirmation or elsewhere in this Agreement.

(iii) Each obligation of each party under Section 2(a)(i) is subject to (1) the condition precedent that no Event of Default or Potential Event of Default with respect to the other party has occurred and is continuing, (2) the condition precedent that no Early Termination Date in respect of the relevant Transaction has occurred or been effectively designated and (3) each other condition specified in this Agreement to be a condition precedent for the purpose of this Section 2(a)(iii).

(b) ***Change of Account.*** Either party may change its account for receiving a payment or delivery by giving notice to the other party at least five Local Business Days prior to the Scheduled Settlement Date for the payment or delivery to which such change applies unless such other party gives timely notice of a reasonable objection to such change.

(c) ***Netting of Payments***. If on any date amounts would otherwise be payable:—

(i) in the same currency; and

(ii) in respect of the same Transaction,

by each party to the other, then, on such date, each party's obligation to make payment of any such amount will be automatically satisfied and discharged and, if the aggregate amount that would otherwise have been payable by one party exceeds the aggregate amount that would otherwise have been payable by the other party, replaced by an obligation upon the party by which the larger aggregate amount would have been payable to pay to the other party the excess of the larger aggregate amount over the smaller aggregate amount.

The parties may elect in respect of two or more Transactions that a net amount and payment obligation will be determined in respect of all amounts payable on the same date in the same currency in respect of those Transactions, regardless of whether such amounts are payable in respect of the same Transaction. The election may be made in the Schedule or any Confirmation by specifying that "Multiple Transaction Payment Netting" applies to the Transactions identified as being subject to the election (in which case clause (ii) above will not apply to such Transactions). If Multiple Transaction Payment Netting is applicable to Transactions, it will apply to those Transactions with effect from the starting date specified in the Schedule or such Confirmation, or, if a starting date is not specified in the Schedule or such Confirmation, the starting date otherwise agreed by the parties in writing. This election may be made separately for different groups of Transactions and will apply separately to each pairing of Offices through which the parties make and receive payments or deliveries.

(d) ***Deduction or Withholding for Tax***.

(i) ***Gross-Up***. All payments under this Agreement will be made without any deduction or withholding for or on account of any Tax unless such deduction or withholding is required by any applicable law, as modified by the practice of any relevant governmental revenue authority, then in effect. If a party is so required to deduct or withhold, then that party ("X") will—

(1) promptly notify the other party ("Y") of such requirement;

(2) pay to the relevant authorities the full amount required to be deducted or withheld (including the full amount required to be deducted or withheld from any additional amount paid by X to Y under this Section 2(d)) promptly upon the earlier of determining that such deduction or withholding is required or receiving notice that such amount has been assessed against Y;

(3) promptly forward to Y an official receipt (or a certified copy), or other documentation reasonably acceptable to Y, evidencing such payment to such authorities; and

(4) if such Tax is an Indemnifiable Tax, pay to Y, in addition to the payment to which Y is otherwise entitled under this Agreement, such additional amount as is necessary to ensure that the net amount actually received by Y (free and clear of Indemnifiable Taxes, whether assessed against X or Y) will equal the full amount Y would have received had no such deduction or withholding been required. However, X will not be required to pay any additional amount to Y to the extent that it would not be required to be paid but for:—

(A) the failure by Y to comply with or perform any agreement contained in Section 4(a)(i), 4(a)(iii) or 4(d); or

(B) the failure of a representation made by Y pursuant to Section 3(f) to be accurate and true unless such failure would not have occurred but for (I) any action taken by a taxing authority, or brought in a court of competent jurisdiction, after a Transaction is entered into (regardless of whether such action is taken or brought with respect to a party to this Agreement) or (II) a Change in Tax Law.

(ii) ***Liability***. If:—

(1) X is required by any applicable law, as modified by the practice of any relevant governmental revenue authority, to make any deduction or withholding in respect of which X would not be required to pay an additional amount to Y under Section 2(d)(i)(4);

(2) X does not so deduct or withhold; and

(3) a liability resulting from such Tax is assessed directly against X,

then, except to the extent Y has satisfied or then satisfies the liability resulting from such Tax, Y will promptly pay to X the amount of such liability (including any related liability for interest, but including any related liability for penalties only if Y has failed to comply with or perform any agreement contained in Section 4(a)(i), 4(a)(iii) or 4(d)).

3. Representations

Each party makes the representations contained in Sections 3(a), 3(b), 3(c), 3(d), 3(e) and 3(f) and, if specified in the Schedule as applying, 3(g) to the other party (which representations will be deemed to be repeated by each party on each date on which a Transaction is entered into and, in the case of the representations in Section 3(f), at all times until the termination of this Agreement). If any "Additional Representation" is specified in the Schedule or any Confirmation as applying, the party or parties specified for such Additional Representation will make and, if applicable, be deemed to repeat such Additional Representation at the time or times specified for such Additional Representation.

(a) ***Basic Representations***.

(i) ***Status***. It is duly organised and validly existing under the laws of the jurisdiction of its organization or incorporation and, if relevant under such laws, in good standing;

(ii) ***Powers***. It has the power to execute this Agreement and any other documentation relating to this Agreement to which it is a party, to deliver this Agreement and any other documentation relating to this Agreement that it is required by this Agreement to deliver and to perform its obligations under this Agreement and any obligations it has under any Credit Support Document to which it is a party and has taken all necessary action to authorize such execution, delivery and performance;

(iii) ***No Violation or Conflict***. Such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets;

(iv) ***Consents***. All governmental and other consents that are required to have been obtained by it with respect to this Agreement or any Credit Support Document to which it is a party have been obtained and are in full force and effect and all conditions of any such consents have been complied with; and

(v) ***Obligations Binding***. Its obligations under this Agreement and any Credit Support Document to which it is a party constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

(b) ***Absence of Certain Events***. No Event of Default or Potential Event of Default or, to its knowledge, Termination Event with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement or any Credit Support Document to which it is a party.

(c) ***Absence of Litigation***. There is not pending or, to its knowledge, threatened against it, any of its Credit Support Providers or any of its applicable Specified Entities any action, suit or proceeding at law or in equity or before any court, tribunal, governmental body, agency or official or any arbitrator that is likely to affect the legality, validity or enforceability against it of this Agreement or any Credit Support Document to which it is a party or its ability to perform its obligations under this Agreement or such Credit Support Document.

(d) ***Accuracy of Specified Information***. All applicable information that is furnished in writing by or on behalf of it to the other party and is identified for the purpose of this Section 3(d) in the Schedule is, as of the date of the information, true, accurate and complete in every material respect.

(e) ***Payer Tax Representation***. Each representation specified in the Schedule as being made by it for the purpose of this Section 3(e) is accurate and true.

(f) ***Payee Tax Representations***. Each representation specified in the Schedule as being made by it for the purpose of this Section 3(f) is accurate and true.

(g) ***No Agency***. It is entering into this Agreement, including each Transaction, as principal and not as agent of any person or entity.

4. Agreements

Each party agrees with the other that, so long as either party has or may have any obligation under this Agreement or under any Credit Support Document to which it is a party:—

(a) ***Furnish Specified Information.*** It will deliver to the other party or, in certain cases under clause (iii) below, to such government or taxing authority as the other party reasonably directs:—

(i) any forms, documents or certificates relating to taxation specified in the Schedule or any Confirmation;

(ii) any other documents specified in the Schedule or any Confirmation; and

(iii) upon reasonable demand by such other party, any form or document that may be required or reasonably requested in writing in order to allow such other party or its Credit Support Provider to make a payment under this Agreement or any applicable Credit Support Document without any deduction or withholding for or on account of any Tax or with such deduction or withholding at a reduced rate (so long as the completion, execution or submission of such form or document would not materially prejudice the legal or commercial position of the party in receipt of such demand), with any such form or document to be accurate and completed in a manner reasonably satisfactory to such other party and to be executed and to be delivered with any reasonably required certification,

in each case by the date specified in the Schedule or such Confirmation or, if none is specified, as soon as reasonably practicable.

(b) ***Maintain Authorisations***. It will use all reasonable efforts to maintain in full force and effect all consents of any governmental or other authority that are required to be obtained by it with respect to this Agreement or any Credit Support Document to which it is a party and will use all reasonable efforts to obtain any that may become necessary in the future.

(c) ***Comply With Laws***. It will comply in all material respects with all applicable laws and orders to which it may be subject if failure so to comply would materially impair its ability to perform its obligations under this Agreement or any Credit Support Document to which it is a party.

(d) ***Tax Agreement***. It will give notice of any failure of a representation made by it under Section 3(f) to be accurate and true promptly upon learning of such failure.

(e) ***Payment of Stamp Tax***. Subject to Section 11, it will pay any Stamp Tax levied or imposed upon it or in respect of its execution or performance of this Agreement by a jurisdiction in which it is incorporated, organised, managed and controlled or considered to have its seat, or where an Office through which it is acting for the purpose of this Agreement is located ("Stamp Tax Jurisdiction"), and will indemnify the other party against any Stamp Tax levied or imposed upon the other party or in respect of the other party's execution or performance of this Agreement by any such Stamp Tax Jurisdiction which is not also a Stamp Tax Jurisdiction with respect to the other party.

5. Events of Default and Termination Events

(a) ***Events of Default***. The occurrence at any time with respect to a party or, if applicable, any Credit Support Provider of such party or any Specified Entity of such party of any of the following events constitutes (subject to Sections 5(c) and 6(e)(iv)) an event of default (an "Event of Default") with respect to such party:—

(i) ***Failure to Pay or Deliver***. Failure by the party to make, when due, any payment under this Agreement or delivery under Section 2(a)(i) or 9(h)(i)(2) or (4) required to be made by it if such failure is not remedied on or before the first Local Business Day in the case of any such payment or the first Local Delivery Day in the case of any such delivery after, in each case, notice of such failure is given to the party;

(ii) ***Breach of Agreement; Repudiation of Agreement***.

(1) Failure by the party to comply with or perform any agreement or obligation (other than an obligation to make any payment under this Agreement or delivery under Section 2(a)(i) or 9(h)(i)(2) or (4) or to give notice of a Termination Event or any agreement or obligation under Section 4(a)(i), 4(a)(iii) or 4(d)) to be complied with or performed by the party in accordance with this Agreement if such failure is not remedied within 30 days after notice of such failure is given to the party; or

(2) the party disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, this Master Agreement, any Confirmation executed and delivered by that party or any

Transaction evidenced by such a Confirmation (or such action is taken by any person or entity appointed or empowered to operate it or act on its behalf);

(iii) ***Credit Support Default***.

(1) Failure by the party or any Credit Support Provider of such party to comply with or perform any agreement or obligation to be complied with or performed by it in accordance with any Credit Support Document if such failure is continuing after any applicable grace period has elapsed;

(2) the expiration or termination of such Credit Support Document or the failing or ceasing of such Credit Support Document, or any security interest granted by such party or such Credit Support Provider to the other party pursuant to any such Credit Support Document, to be in full force and effect for the purpose of this Agreement (in each case other than in accordance with its terms) prior to the satisfaction of all obligations of such party under each Transaction to which such Credit Support Document relates without the written consent of the other party; or

(3) the party or such Credit Support Provider disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, such Credit Support Document (or such action is taken by any person or entity appointed or empowered to operate it or act on its behalf);

(iv) ***Misrepresentation***. A representation (other than a representation under Section 3(e) or 3(f)) made or repeated or deemed to have been made or repeated by the party or any Credit Support Provider of such party in this Agreement or any Credit Support Document proves to have been incorrect or misleading in any material respect when made or repeated or deemed to have been made or repeated;

(v) ***Default Under Specified Transaction***. The party, any Credit Support Provider of such party or any applicable Specified Entity of such party:—

(1) defaults (other than by failing to make a delivery) under a Specified Transaction or any credit support arrangement relating to a Specified Transaction and, after giving effect to any applicable notice requirement or grace period, such default results in a liquidation of, an acceleration of obligations under, or an early termination of, that Specified Transaction;

(2) defaults, after giving effect to any applicable notice requirement or grace period, in making any payment due on the last payment or exchange date of, or any payment on early termination of, a Specified Transaction (or, if there is no applicable notice requirement or grace period, such default continues for at least one Local Business Day);

(3) defaults in making any delivery due under (including any delivery due on the last delivery or exchange date of) a Specified Transaction or any credit support arrangement relating to a Specified Transaction and, after giving effect to any applicable notice requirement or grace period, such default results in a liquidation of, an acceleration of obligations under, or an early termination of, all transactions outstanding under the documentation applicable to that Specified Transaction; or

(4) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, a Specified Transaction or any credit support arrangement relating to a Specified Transaction that is, in either case, confirmed or evidenced by a document or other confirming evidence executed and delivered by that party, Credit Support Provider or Specified Entity (or such action is taken by any person or entity appointed or empowered to operate it or act on its behalf);

(vi) ***Cross-Default***. If "Cross-Default" is specified in the Schedule as applying to the party, the occurrence or existence of:—

(1) a default, event of default or other similar condition or event (however described) in respect of such party, any Credit Support Provider of such party or any applicable Specified Entity of such party under one or more agreements or instruments relating to Specified Indebtedness of any of them (individually or collectively) where the aggregate principal amount of such agreements or instruments, either alone or together with the amount, if any, referred to in clause (2) below, is not less than the applicable Threshold Amount (as specified in the Schedule) which has resulted in such Specified Indebtedness becoming, or becoming capable at such time of being declared, due and payable under such agreements or instruments before it would otherwise have been due and payable; or

(2) a default by such party, such Credit Support Provider or such Specified Entity (individually or collectively) in making one or more payments under such agreements or instruments on the due date for payment (after giving effect to any applicable notice requirement or grace period) in an aggregate amount, either alone or together with the amount, if any, referred to in clause (1) above, of not less than the applicable Threshold Amount;

(vii) ***Bankruptcy***. The party, any Credit Support Provider of such party or any applicable Specified Entity of such party:—

(1) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (2) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due; (3) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (4)(A) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organization or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (B) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in clause (A) above and either (I) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (II) is not dismissed, discharged, stayed or restrained in each case within 15 days of the institution or presentation thereof; (5) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (6) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (7) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 15 days thereafter; (8) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (l) to (7) above (inclusive); or (9) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts; or

(viii) ***Merger Without Assumption***. The party or any Credit Support Provider of such party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all its assets to, or reorganizes, reincorporates or reconstitutes into or as, another entity and, at the time of such consolidation, amalgamation, merger, transfer, reorganization, reincorporation or reconstitution:—

(1) the resulting, surviving or transferee entity fails to assume all the obligations of such party or such Credit Support Provider under this Agreement or any Credit Support Document to which it or its predecessor was a party; or

(2) the benefits of any Credit Support Document fail to extend (without the consent of the other party) to the performance by such resulting, surviving or transferee entity of its obligations under this Agreement.

(b) ***Termination Events***. The occurrence at any time with respect to a party or, if applicable, any Credit Support Provider of such party or any Specified Entity of such party of any event specified below constitutes (subject to Section 5(c)) an Illegality if the event is specified in clause (i) below, a Force Majeure Event if the event is specified in clause (ii) below, a Tax Event if the event is specified in clause (iii) below, a Tax Event Upon Merger if the event is specified in clause (iv) below, and, if specified to be applicable, a Credit Event Upon Merger if the event is specified pursuant to clause (v) below or an Additional Termination Event if the event is specified pursuant to clause (vi) below:—

(i) ***Illegality***. After giving effect to any applicable provision, disruption fallback or remedy specified in, or pursuant to, the relevant Confirmation or elsewhere in this Agreement, due to an event or circumstance (other than any action taken by a party or, if applicable, any Credit Support Provider of such party) occurring after a Transaction is entered into, it becomes unlawful under any applicable law (including without limitation the laws of any country in which payment, delivery or compliance is required by either party or any Credit Support Provider, as the case may be), on any day, or it would be unlawful if the relevant payment, delivery or compliance were required on that day (in each case, other than as a result of a breach by the party of Section 4(b)):—

(1) for the Office through which such party (which will be the Affected Party) makes and receives payments or deliveries with respect to such Transaction to perform any absolute or contingent obligation to make a payment or delivery in respect of such Transaction, to receive a payment or delivery in respect of such Transaction or to comply with any other material provision of this Agreement relating to such Transaction; or

(2) for such party or any Credit Support Provider of such party (which will be the Affected Party) to perform any absolute or contingent obligation to make a payment or delivery which such party or Credit Support Provider has under any Credit Support Document relating to such Transaction, to receive a payment or delivery under such Credit Support Document or to comply with any other material provision of such Credit Support Document;

(ii) ***Force Majeure Event***. After giving effect to any applicable provision, disruption fallback or remedy specified in, or pursuant to, the relevant Confirmation or elsewhere in this Agreement, by reason of force majeure or act of state occurring after a Transaction is entered into, on any day:—

(1) the Office through which such party (which will be the Affected Party) makes and receives payments or deliveries with respect to such Transaction is prevented from performing any absolute or contingent obligation to make a payment or delivery in respect of such Transaction, from receiving a payment or delivery in respect of such Transaction or from complying with any other material provision of this Agreement relating to such Transaction (or would be so prevented if such payment, delivery or compliance were required on that day), or it becomes impossible or

impracticable for such Office so to perform, receive or comply (or it would be impossible or impracticable for such Office so to perform, receive or comply if such payment, delivery or compliance were required on that day); or

(2) such party or any Credit Support Provider of such party (which will be the Affected Party) is prevented from performing any absolute or contingent obligation to make a payment or delivery which such party or Credit Support Provider has under any Credit Support Document relating to such Transaction, from receiving a payment or delivery under such Credit Support Document or from complying with any other material provision of such Credit Support Document (or would be so prevented if such payment, delivery or compliance were required on that day), or it becomes impossible or impracticable for such party or Credit Support Provider so to perform, receive or comply (or it would be impossible or impracticable for such party or Credit Support Provider so to perform, receive or comply if such payment, delivery or compliance were required on that day),

so long as the force majeure or act of state is beyond the control of such Office, such party or such Credit Support Provider, as appropriate, and such Office, party or Credit Support Provider could not, after using all reasonable efforts (which will not require such party or Credit Support Provider to incur a loss, other than immaterial, incidental expenses), overcome such prevention, impossibility or impracticability;

(iii) ***Tax Event***. Due to (1) any action taken by a taxing authority, or brought in a court of competent jurisdiction, after a Transaction is entered into (regardless of whether such action is taken or brought with respect to a party to this Agreement) or (2) a Change in Tax Law, the party (which will be the Affected Party) will, or there is a substantial likelihood that it will, on the next succeeding Scheduled Settlement Date (A) be required to pay to the other party an additional amount in respect of an Indemnifiable Tax under Section 2(d)(i)(4) (except in respect of interest under Section 9(h)) or (B) receive a payment from which an amount is required to be deducted or withheld for or on account of a Tax (except in respect of interest under Section 9(h)) and no additional amount is required to be paid in respect of such Tax under Section 2(d)(i)(4) (other than by reason of Section 2(d)(i)(4)(A) or (B));

(iv) ***Tax Event Upon Merger***. The party (the "Burdened Party") on the next succeeding Scheduled Settlement Date will either (1) be required to pay an additional amount in respect of an Indemnifiable Tax under Section 2(d)(i)(4) (except in respect of interest under Section 9(h)) or (2) receive a payment from which an amount has been deducted or withheld for or on account of any Tax in respect of which the other party is not required to pay an additional amount (other than by reason of Section 2(d)(i)(4)(A) or (B)), in either case as a result of a party consolidating or amalgamating with, or merging with or into, or transferring all or substantially all its assets (or any substantial part of the assets comprising the business conducted by it as of the date of this Master Agreement) to, or reorganizing, reincorporating or reconstituting into or as, another entity (which will be the Affected Party) where such action does not constitute a Merger Without Assumption;

(v) ***Credit Event Upon Merger***. If "Credit Event Upon Merger" is specified in the Schedule as applying to the party, a Designated Event (as defined below) occurs with respect to such party, any Credit Support Provider of such party or any applicable Specified Entity of such party (in each case, "X") and such Designated Event does not constitute a Merger Without Assumption, and the creditworthiness of X or, if applicable, the successor, surviving or transferee entity of X, after taking into account any applicable Credit Support Document, is materially weaker immediately after the occurrence of such Designated Event than that of X immediately prior to the occurrence of such Designated Event (and, in any such event, such party or its successor, surviving or transferee entity, as appropriate, will be the Affected Party). A "Designated Event" with respect to X means that:—

(1) X consolidates or amalgamates with, or merges with or into, or transfers all or substantially all its assets (or any substantial part of the assets comprising the business conducted by X as of the

date of this Master Agreement) to, or reorganizes, reincorporates or reconstitutes into or as, another entity;

(2) any person, related group of persons or entity acquires directly or indirectly the beneficial ownership of (A) equity securities having the power to elect a majority of the board of directors (or its equivalent) of X or (B) any other ownership interest enabling it to exercise control of X; or

(3) X effects any substantial change in its capital structure by means of the issuance, incurrence or guarantee of debt or the issuance of (A) preferred stock or other securities convertible into or exchangeable for debt or preferred stock or (B) in the case of entities other than corporations, any other form of ownership interest; or

(vi) ***Additional Termination Event***. If any "Additional Termination Event" is specified in the Schedule or any Confirmation as applying, the occurrence of such event (and, in such event, the Affected Party or Affected Parties will be as specified for such Additional Termination Event in the Schedule or such Confirmation).

(c) ***Hierarchy of Events***.

(i) An event or circumstance that constitutes or gives rise to an Illegality or a Force Majeure Event will not, for so long as that is the case, also constitute or give rise to an Event of Default under Section 5(a)(i), 5(a)(ii)(1) or 5(a)(iii)(1) insofar as such event or circumstance relates to the failure to make any payment or delivery or a failure to comply with any other material provision of this Agreement or a Credit Support Document, as the case may be.

(ii) Except in circumstances contemplated by clause (i) above, if an event or circumstance which would otherwise constitute or give rise to an Illegality or a Force Majeure Event also constitutes an Event of Default or any other Termination Event, it will be treated as an Event of Default or such other Termination Event, as the case may be, and will not constitute or give rise to an Illegality or a Force Majeure Event.

(iii) If an event or circumstance which would otherwise constitute or give rise to a Force Majeure Event also constitutes an Illegality, it will be treated as an Illegality, except as described in clause (ii) above, and not a Force Majeure Event.

(d) ***Deferral of Payments and Deliveries During Waiting Period***. If an Illegality or a Force Majeure Event has occurred and is continuing with respect to a Transaction, each payment or delivery which would otherwise be required to be made under that Transaction will be deferred to, and will not be due until:—

(i) the first Local Business Day or, in the case of a delivery, the first Local Delivery Day (or the first day that would have been a Local Business Day or Local Delivery Day, as appropriate, but for the occurrence of the event or circumstance constituting or giving rise to that Illegality or Force Majeure Event) following the end of any applicable Waiting Period in respect of that Illegality or Force Majeure Event, as the case may be; or

(ii) if earlier, the date on which the event or circumstance constituting or giving rise to that Illegality or Force Majeure Event ceases to exist or, if such date is not a Local Business Day or, in the case of a delivery, a Local Delivery Day, the first following day that is a Local Business Day or Local Delivery Day, as appropriate.

(e) ***Inability of Head or Home Office to Perform Obligations of Branch***. If (i) an Illegality or a Force Majeure Event occurs under Section 5(b)(i)(1) or 5(b)(ii)(1) and the relevant Office is not the Affected Party's head or home office, (ii) Section 10(a) applies, (iii) the other party seeks performance of the relevant obligation or

compliance with the relevant provision by the Affected Party's head or home office and (iv) the Affected Party's head or home office fails so to perform or comply due to the occurrence of an event or circumstance which would, if that head or home office were the Office through which the Affected Party makes and receives payments and deliveries with respect to the relevant Transaction, constitute or give rise to an Illegality or a Force Majeure Event, and such failure would otherwise constitute an Event of Default under Section 5(a)(i) or 5(a)(iii)(1) with respect to such party, then, for so long as the relevant event or circumstance continues to exist with respect to both the Office referred to in Section 5(b)(i)(1) or 5(b)(ii)(1), as the case may be, and the Affected Party's head or home office, such failure will not constitute an Event of Default under Section 5(a)(i) or 5(a)(iii)(1).

6. Early Termination; Close-Out Netting

(a) ***Right to Terminate Following Event of Default***. If at any time an Event of Default with respect to a party (the "Defaulting Party") has occurred and is then continuing, the other party (the "Non-defaulting Party") may, by not more than 20 days' notice to the Defaulting Party specifying the relevant Event of Default, designate a day not earlier than the day such notice is effective as an Early Termination Date in respect of all outstanding Transactions. If, however, "Automatic Early Termination" is specified in the Schedule as applying to a party, then an Early Termination Date in respect of all outstanding Transactions will occur immediately upon the occurrence with respect to such party of an Event of Default specified in Section 5(a)(vii)(1), (3), (5), (6) or, to the extent analogous thereto, (8), and as of the time immediately preceding the institution of the relevant proceeding or the presentation of the relevant petition upon the occurrence with respect to such party of an Event of Default specified in Section 5(a)(vii)(4) or, to the extent analogous thereto, (8).

(b) ***Right to Terminate Following Termination Event***.

(i) ***Notice***. If a Termination Event other than a Force Majeure Event occurs, an Affected Party will, promptly upon becoming aware of it, notify the other party, specifying the nature of that Termination Event and each Affected Transaction, and will also give the other party such other information about that Termination Event as the other party may reasonably require. If a Force Majeure Event occurs, each party will, promptly upon becoming aware of it, use all reasonable efforts to notify the other party, specifying the nature of that Force Majeure Event, and will also give the other party such other information about that Force Majeure Event as the other party may reasonably require.

(ii) ***Transfer to Avoid Termination Event***. If a Tax Event occurs and there is only one Affected Party, or if a Tax Event Upon Merger occurs and the Burdened Party is the Affected Party, the Affected Party will, as a condition to its right to designate an Early Termination Date under Section 6(b)(iv), use all reasonable efforts (which will not require such party to incur a loss, other than immaterial, incidental expenses) to transfer within 20 days after it gives notice under Section 6(b)(i) all its rights and obligations under this Agreement in respect of the Affected Transactions to another of its Offices or Affiliates so that such Termination Event ceases to exist.

If the Affected Party is not able to make such a transfer it will give notice to the other party to that effect within such 20 day period, whereupon the other party may effect such a transfer within 30 days after the notice is given under Section 6(b)(i).

Any such transfer by a party under this Section 6(b)(ii) will be subject to and conditional upon the prior written consent of the other party, which consent will not be withheld if such other party's policies in effect at such time would permit it to enter into transactions with the transferee on the terms proposed.

(iii) ***Two Affected Parties***. If a Tax Event occurs and there are two Affected Parties, each party will use all reasonable efforts to reach agreement within 30 days after notice of such occurrence is given under Section 6(b)(i) to avoid that Termination Event.

(iv) ***Right to Terminate***.

(1) If:—

(A) a transfer under Section 6(b)(ii) or an agreement under Section 6(b)(iii), as the case may be, has not been effected with respect to all Affected Transactions within 30 days after an Affected Party gives notice under Section 6(b)(i); or

(B) a Credit Event Upon Merger or an Additional Termination Event occurs, or a Tax Event Upon Merger occurs and the Burdened Party is not the Affected Party,

the Burdened Party in the case of a Tax Event Upon Merger, any Affected Party in the case of a Tax Event or an Additional Termination Event if there are two Affected Parties, or the Non-affected Party in the case of a Credit Event Upon Merger or an Additional Termination Event if there is only one Affected Party may, if the relevant Termination Event is then continuing, by not more than 20 days' notice to the other party, designate a day not earlier than the day such notice is effective as an Early Termination Date in respect of all Affected Transactions.

(2) If at any time an Illegality or a Force Majeure Event has occurred and is then continuing and any applicable Waiting Period has expired:—

(A) Subject to clause (B) below, either party may, by not more than 20 days' notice to the other party, designate (I) a day not earlier than the day on which such notice becomes effective as an Early Termination Date in respect of all Affected Transactions or (II) by specifying in that notice the Affected Transactions in respect of which it is designating the relevant day as an Early Termination Date, a day not earlier than two Local Business Days following the day on which such notice becomes effective as an Early Termination Date in respect of less than all Affected Transactions. Upon receipt of a notice designating an Early Termination Date in respect of less than all Affected Transactions, the other party may, by notice to the designating party, if such notice is effective on or before the day so designated, designate that same day as an Early Termination Date in respect of any or all other Affected Transactions.

(B) An Affected Party (if the Illegality or Force Majeure Event relates to performance by such party or any Credit Support Provider of such party of an obligation to make any payment or delivery under, or to compliance with any other material provision of, the relevant Credit Support Document) will only have the right to designate an Early Termination Date under Section 6(b)(iv)(2)(A) as a result of an Illegality under Section 5(b)(i)(2) or a Force Majeure Event under Section 5(b)(ii)(2) following the prior designation by the other party of an Early Termination Date, pursuant to Section 6(b)(iv)(2)(A), in respect of less than all Affected Transactions.

(c) ***Effect of Designation***.

(i) If notice designating an Early Termination Date is given under Section 6(a) or 6(b), the Early Termination Date will occur on the date so designated, whether or not the relevant Event of Default or Termination Event is then continuing.

(ii) Upon the occurrence or effective designation of an Early Termination Date, no further payments or deliveries under Section 2(a)(i) or 9(h)(i) in respect of the Terminated Transactions will be required to be made, but without prejudice to the other provisions of this Agreement. The amount, if any, payable in respect of an Early Termination Date will be determined pursuant to Sections 6(e) and 9(h)(ii).

(d) ***Calculations; Payment Date***.

(i) ***Statement***. On or as soon as reasonably practicable following the occurrence of an Early Termination Date, each party will make the calculations on its part, if any, contemplated by Section 6(e) and will provide to the other party a statement (l) showing, in reasonable detail, such calculations (including any quotations, market data or information from internal sources used in making such calculations), (2) specifying (except where there are two Affected Parties) any Early Termination Amount payable and (3) giving details of the relevant account to which any amount payable to it is to be paid. In the absence of written confirmation from the source of a quotation or market data obtained in determining a Close-out Amount, the records of the party obtaining such quotation or market data will be conclusive evidence of the existence and accuracy of such quotation or market data.

(ii) ***Payment Date***. An Early Termination Amount due in respect of any Early Termination Date will, together with any amount of interest payable pursuant to Section 9(h)(ii)(2), be payable (1) on the day on which notice of the amount payable is effective in the case of an Early Termination Date which is designated or occurs as a result of an Event of Default and (2) on the day which is two Local Business Days after the day on which notice of the amount payable is effective (or, if there are two Affected Parties, after the day on which the statement provided pursuant to clause (i) above by the second party to provide such a statement is effective) in the case of an Early Termination Date which is designated as a result of a Termination Event.

(e) ***Payments on Early Termination***. If an Early Termination Date occurs, the amount, if any, payable in respect of that Early Termination Date (the "Early Termination Amount") will be determined pursuant to this Section 6(e) and will be subject to Section 6(f).

(i) ***Events of Default***. If the Early Termination Date results from an Event of Default, the Early Termination Amount will be an amount equal to (1) the sum of (A) the Termination Currency Equivalent of the Close-out Amount or Close-out Amounts (whether positive or negative) determined by the Non-defaulting Party for each Terminated Transaction or group of Terminated Transactions, as the case may be, and (B) the Termination Currency Equivalent of the Unpaid Amounts owing to the Non-defaulting Party less (2) the Termination Currency Equivalent of the Unpaid Amounts owing to the Defaulting Party. If the Early Termination Amount is a positive number, the Defaulting Party will pay it to the Non-defaulting Party; if it is a negative number, the Non-defaulting Party will pay the absolute value of Early Termination Amount to the Defaulting Party.

(ii) ***Termination Events***. If the Early Termination Date results from a Termination Event:—

(1) *One Affected Party*. Subject to clause (3) below, if there is one Affected Party, the Early Termination Amount will be determined in accordance with Section 6(e)(i), except that references to the Defaulting Party and to the Non-defaulting Party will be deemed to be references to the Affected Party and to the Non-affected Party, respectively.

(2) *Two Affected Parties.* Subject to clause (3) below, if there are two Affected Parties, each party will determine an amount equal to the Termination Currency Equivalent of the sum of the Close-out Amount or Close-out Amounts (whether positive or negative) for each Terminated Transaction or group of Terminated Transactions, as the case may be, and the Early Termination Amount will be an amount equal to (A) the sum of (I) one-half of the difference between the higher amount so determined (by party "X") and lower amount so determined (by party "Y") and (II) the Termination Currency Equivalent of the Unpaid Amounts owing to X less (B) the Termination Currency Equivalent of the Unpaid Amounts owing to Y. If the Early Termination Amount is a positive number, Y will pay it to X; if it is a negative number, X will pay the absolute value of the Early Termination Amount to Y.

(3) *Mid-Market Events.* If that Termination Event is an Illegality or a Force Majeure Event, then the Early Termination Amount will be determined in accordance with clause (1) or (2) above, as appropriate, except that, for the purpose of determining a Close-out Amount or Close-out Amounts, the Determining Party will:—

(A) if obtaining quotations from one or more third parties (or from any of the Determining Party's Affiliates), ask each third party or Affiliate (I) not to take account of the current creditworthiness of the Determining Party or any existing Credit Support Document and (II) to provide mid-market quotations; and

(B) in any other case, use mid-market values without regard to the creditworthiness of the Determining Party.

(iii) ***Adjustment for Bankruptcy***. In circumstances where an Early Termination Date occurs because Automatic Early Termination applies in respect of a party, Early Termination Amount will be subject to such adjustments as are appropriate and permitted by applicable law to reflect any payments or deliveries made by one party to the other under this Agreement (and retained by such other party) during the period from the relevant Early Termination Date to the date for payment determined under Section 6(d)(ii).

(iv) ***Adjustment for Illegality or Force Majeure Event***. The failure by a party or any Credit Support Provider of such party to pay, when due, any Early Termination Amount will not constitute an Event of Default under Section 5(a)(i) or 5(a)(iii)(1) if such failure is due to the occurrence of an event or circumstance which would, if it occurred with respect to payment, delivery or compliance related to a Transaction, constitute or give rise to an Illegality or a Force Majeure Event. Such amount will (1) accrue interest and otherwise be treated as an Unpaid Amount owing to the other party if subsequently an Early Termination Date results from an Event of Default, a Credit Event Upon Merger or an Additional Termination Event in respect of which all outstanding Transactions are Affected Transactions and (2) otherwise accrue interest in accordance with Section 9(h)(ii)(2).

(v) ***Pre-Estimate***. The parties agree that an amount recoverable under this Section 6(e) is a reasonable pre-estimate of loss and not a penalty. Such amount is payable for the loss of bargain and the loss of protection against future risks, and, except as otherwise provided in this Agreement, neither party will be entitled to recover any additional damages as a consequence of the termination of the Terminated Transactions.

(f) ***Set-Off***. Any Early Termination Amount payable to one party (the "Payee") by the other party (the "Payer"), in circumstances where there is a Defaulting Party or where there is one Affected Party in the case where either a Credit Event Upon Merger has occurred or any other Termination Event in respect of which all outstanding Transactions are Affected Transactions has occurred, will, at the option of the Non-defaulting Party or the Non-affected Party, as the case may be ("X") (and without prior notice to the Defaulting Party or the Affected Party, as the case may be), be reduced by its set-off against any other amounts ("Other Amounts") payable by the Payee to the Payer (whether or not arising under this Agreement, matured or contingent and irrespective of the currency, place of payment or place of booking of the obligation). To the extent that any Other Amounts are so set off, those Other Amounts will be discharged promptly and in all respects. X will give notice to the other party of any set-off effected under this Section 6(f).

For this purpose, either the Early Termination Amount or the Other Amounts (or the relevant portion of such amounts) may be converted by X into the currency in which the other is denominated at the rate of exchange at which such party would be able, in good faith and using commercially reasonable procedures, to purchase the relevant amount of such currency.

If an obligation is unascertained, X may in good faith estimate that obligation and set off in respect of the estimate, subject to the relevant party accounting to the other when the obligation is ascertained.

Nothing in this Section 6(f) will be effective to create a charge or other security interest. This Section 6(f) will be without prejudice and in addition to any right of set-off, offset, combination of accounts, lien, right of retention or withholding or similar right or requirement to which any party is at any time otherwise entitled or subject (whether by operation of law, contract or otherwise).

7. Transfer

Subject to Section 6(b)(ii) and to the extent permitted by applicable law, neither this Agreement nor any interest or obligation in or under this Agreement may be transferred (whether by way of security or otherwise) by either party without the prior written consent of the other party, except that:—

(a) a party may make such a transfer of this Agreement pursuant to a consolidation or amalgamation with, or merger with or into, or transfer of all or substantially all its assets to, another entity (but without prejudice to any other right or remedy under this Agreement); and

(b) a party may make such a transfer of all or any part of its interest in any Early Termination Amount payable to it by a Defaulting Party, together with any amounts payable on or with respect to that interest and any other rights associated with that interest pursuant to Sections 8, 9(h) and 11.

Any purported transfer that is not in compliance with this Section 7 will be void.

8. Contractual Currency

(a) ***Payment in the Contractual Currency***. Each payment under this Agreement will be made in the relevant currency specified in this Agreement for that payment (the "Contractual Currency"). To the extent permitted by applicable law, any obligation to make payments under this Agreement in the Contractual Currency will not be discharged or satisfied by any tender in any currency other than the Contractual Currency, except to the extent such tender results in the actual receipt by the party to which payment is owed, acting in good faith and using commercially reasonable procedures in converting the currency so tendered into the Contractual Currency, of the full amount in the Contractual Currency of all amounts payable in respect of this Agreement. If for any reason the amount in the Contractual Currency so received falls short of the amount in the Contractual Currency payable in respect of this Agreement, the party required to make the payment will, to the extent permitted by applicable law, immediately pay such additional amount in the Contractual Currency as may be necessary to compensate for the shortfall. If for any reason the amount in the Contractual Currency so received exceeds the amount in the Contractual Currency payable in respect of this Agreement, the party receiving the payment will refund promptly the amount of such excess.

(b) ***Judgments***. To the extent permitted by applicable law, if any judgment or order expressed in a currency other than the Contractual Currency is rendered (i) for the payment of any amount owing in respect of this Agreement, (ii) for the payment of any amount relating to any early termination in respect of this Agreement or (iii) in respect of a judgment or order of another court for the payment of any amount described in clause (i) or (ii) above, the party seeking recovery, after recovery in full of the aggregate amount to which such party is entitled pursuant to the judgment or order, will be entitled to receive immediately from the other party the amount of any shortfall of the Contractual Currency received by such party as a consequence of sums paid in such other currency and will refund promptly to the other party any excess of the Contractual Currency received by such party as a consequence of sums paid in such other currency if such shortfall or such excess arises or results from any variation between the rate of exchange at which the Contractual Currency is converted into the currency of the judgment or order for the purpose of such judgment or order and the rate of exchange at which such party is able, acting in good faith and using

commercially reasonable procedures in converting the currency received into the Contractual Currency, to purchase the Contractual Currency with the amount of the currency of the judgment or order actually received by such party.

(c) ***Separate Indemnities***. To the extent permitted by applicable law, the indemnities in this Section 8 constitute separate and independent obligations from the other obligations in this Agreement, will be enforceable as separate and independent causes of action, will apply notwithstanding any indulgence granted by the party to which any payment is owed and will not be affected by judgment being obtained or claim or proof being made for any other sums payable in respect of this Agreement.

(d) ***Evidence of Loss***. For the purpose of this Section 8, it will be sufficient for a party to demonstrate that it would have suffered a loss had an actual exchange or purchase been made.

9. Miscellaneous

(a) ***Entire Agreement***. This Agreement constitutes the entire agreement and understanding of the parties with respect to its subject matter. Each of the parties acknowledges that in entering into this Agreement it has not relied on any oral or written representation, warranty or other assurance (except as provided for or referred to in this Agreement) and waives all rights and remedies which might otherwise be available to it in respect thereof, except that nothing in this Agreement will limit or exclude any liability of a party for fraud.

(b) ***Amendments***. An amendment, modification or waiver in respect of this Agreement will only be effective if in writing (including a writing evidenced by a facsimile transmission) and executed by each of the parties or confirmed by an exchange of telexes or by an exchange of electronic messages on an electronic messaging system.

(c) ***Survival of Obligations***. Without prejudice to Sections 2(a)(iii) and 6(c)(ii), the obligations of the parties under this Agreement will survive the termination of any Transaction.

(d) ***Remedies Cumulative***. Except as provided in this Agreement, the rights, powers, remedies and privileges provided in this Agreement are cumulative and not exclusive of any rights, powers, remedies and privileges provided by law.

(e) ***Counterparts and Confirmations***.

(i) This Agreement (and each amendment, modification and waiver in respect of it) may be executed and delivered in counterparts (including by facsimile transmission and by electronic messaging system), each of which will be deemed an original.

(ii) The parties intend that they are legally bound by the terms of each Transaction from the moment they agree to those terms (whether orally or otherwise). A Confirmation will be entered into as soon as practicable and may be executed and delivered in counterparts (including by facsimile transmission) or be created by an exchange of telexes, by an exchange of electronic messages on an electronic messaging system or by an exchange of e-mails, which in each case will be sufficient for all purposes to evidence a binding supplement to this Agreement. The parties will specify therein or through another effective means that any such counterpart, telex, electronic message or e-mail constitutes a Confirmation.

(f) ***No Waiver of Rights***. A failure or delay in exercising any right, power or privilege in respect of this Agreement will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or further exercise, of that right, power or privilege or the exercise of any other right, power or privilege

(g) ***Headings***. The headings used in this Agreement are for convenience of reference only and are not to affect the construction of or to be taken into consideration in interpreting this Agreement.

(h) ***Interest and Compensation***.

(i) ***Prior to Early Termination***. Prior to the occurrence or effective designation of an Early Termination Date in respect of the relevant Transaction:—

(1) *Interest on Defaulted Payments*. If a party defaults in the performance of any payment obligation, it will, to the extent permitted by applicable law and subject to Section 6(c), pay interest (before as well as after judgment) on the overdue amount to the other party on demand in the same currency as the overdue amount, for the period from (and including) the original due date for payment to (but excluding) the date of actual payment (and excluding any period in respect of which interest or compensation in respect of the overdue amount is due pursuant to clause (3)(B) or (C) below), at the Default Rate.

(2) *Compensation for Defaulted Deliveries*. If a party defaults in the performance of any obligation required to be settled by delivery, it will on demand (A) compensate the other party to the extent provided for in the relevant Confirmation or elsewhere in this Agreement and (B) unless otherwise provided in the relevant Confirmation or elsewhere in this Agreement, to the extent permitted by applicable law and subject to Section 6(c), pay to the other party interest (before as well as after judgment) on an amount equal to the fair market value of that which was required to be delivered in the same currency as that amount, for the period from (and including) the originally scheduled date for delivery to (but excluding) the date of actual delivery (and excluding any period in respect of which interest or compensation in respect of that amount is due pursuant to clause (4) below), at the Default Rate. The fair market value of any obligation referred to above will be determined as of the originally scheduled date for delivery, in good faith and using commercially reasonable procedures, by the party that was entitled to take delivery.

(3) *Interest on Deferred Payments*. If:—

(A) a party does not pay any amount that, but for Section 2(a)(iii), would have been payable, it will, to the extent permitted by applicable law and subject to Section 6(c) and clauses (B) and (C) below, pay interest (before as well as after judgment) on that amount to the other party on demand (after such amount becomes payable) in the same currency as that amount, for the period from (and including) the date the amount would, but for Section 2(a)(iii), have been payable to (but excluding) the date the amount actually becomes payable, at the Applicable Deferral Rate;

(B) a payment is deferred pursuant to Section 5(d), the party which would otherwise have been required to make that payment will, to the extent permitted by applicable law, subject to Section 6(c) and for so long as no Event of Default or Potential Event of Default with respect to that party has occurred and is continuing, pay interest (before as well as after judgment) on the amount of the deferred payment to the other party on demand (after such amount becomes payable) in the same currency as the deferred payment, for the period from (and including) the date the amount would, but for Section 5(d), have been payable to (but excluding) the earlier of the date the payment is no longer deferred pursuant to Section 5(d) and the date during the deferral period upon which an Event of Default or Potential Event of Default with respect to that party occurs, at the Applicable Deferral Rate; or

(C) a party fails to make any payment due to the occurrence of an Illegality or a Force Majeure Event (after giving effect to any deferral period contemplated by clause (B) above), it will, to the extent permitted by applicable law, subject to Section 6(c) and for so long as the event or circumstance giving rise to that Illegality or Force Majeure Event

continues and no Event of Default or Potential Event of Default with respect to that party has occurred and is continuing, pay interest (before as well as after judgment) on the overdue amount to the other party on demand in the same currency as the overdue amount, for the period from (and including) the date the party fails to make the payment due to the occurrence of the relevant Illegality or Force Majeure Event (or, if later, the date the payment is no longer deferred pursuant to Section 5(d)) to (but excluding) the earlier of the date the event or circumstance giving rise to that Illegality or Force Majeure Event ceases to exist and the date during the period upon which an Event of Default or Potential Event of Default with respect to that party occurs (and excluding any period in respect of which interest or compensation in respect of the overdue amount is due pursuant to clause (B) above), at the Applicable Deferral Rate.

(4) *Compensation for Deferred Deliveries*. If:—

(A) a party does not perform any obligation that, but for Section 2(a)(iii), would have been required to be settled by delivery;

(B) a delivery is deferred pursuant to Section 5(d); or

(C) a party fails to make a delivery due to the occurrence of an Illegality or a Force Majeure Event at a time when any applicable Waiting Period has expired,

the party required (or that would otherwise have been required) to make the delivery will, to the extent permitted by applicable law and subject to Section 6(c), compensate and pay interest to the other party on demand (after, in the case of clauses (A) and (B) above, such delivery is required) if and to the extent provided for in the relevant Confirmation or elsewhere in this Agreement.

(ii) ***Early Termination***. Upon the occurrence or effective designation of an Early Termination Date in respect of a Transaction:—

(1) *Unpaid Amounts*. For the purpose of determining an Unpaid Amount in respect of the relevant Transaction, and to the extent permitted by applicable law, interest will accrue on the amount of any payment obligation or the amount equal to the fair market value of any obligation required to be settled by delivery included in such determination in the same currency as that amount, for the period from (and including) the date the relevant obligation was (or would have been but for Section 2(a)(iii) or 5(d)) required to have been performed to (but excluding) the relevant Early Termination Date, at the Applicable Close-out Rate.

(2) *Interest on Early Termination Amounts*. If an Early Termination Amount is due in respect of such Early Termination Date, that amount will, to the extent permitted by applicable law, be paid together with interest (before as well as after judgment) on that amount in the Termination Currency, for the period from (and including) such Early Termination Date to (but excluding) the date the amount is paid, at the Applicable Close-out Rate.

(iii) ***Interest Calculation***. Any interest pursuant to this Section 9(h) will be calculated on the basis of daily compounding and the actual number of days elapsed.

10. Offices; Multibranch Parties

(a) If Section 10(a) is specified in the Schedule as applying, each party that enters into a Transaction through an Office other than its head or home office represents to and agrees with the other party that, notwithstanding the place of booking or its jurisdiction of incorporation or organization, its obligations are the same in terms of recourse against it as if it had entered into the Transaction through its head or home office, except that a party will not have recourse to the head or home office of the other party in respect of any payment or delivery deferred pursuant to Section 5(d) for so long as the payment or delivery is so deferred. This representation and agreement will be deemed to be repeated by each party on each date on which the parties enter into a Transaction.

(b) If a party is specified as a Multibranch Party in the Schedule, such party may, subject to clause (c) below, enter into a Transaction through, book a Transaction in and make and receive payments and deliveries with respect to a Transaction through any Office listed in respect of that party in the Schedule(but not any other Office unless otherwise agreed by the parties in writing).

(c) The Office through which a party enters into a Transaction will be the Office specified for that party in the relevant Confirmation or as otherwise agreed by the parties in writing, and, if an Office for that party is not specified in the Confirmation or otherwise agreed by the parties in writing, its head or home office. Unless the parties otherwise agree in writing, the Office through which a party enters into a Transaction will also be the Office in which it books the Transaction and the Office through which it makes and receives payments and deliveries with respect to the Transaction. Subject to Section 6(b)(ii), neither party may change the Office in which it books the Transaction or the Office through which it makes and receives payments or deliveries with respect to a Transaction without the prior written consent of the other party.

11. Expenses

A Defaulting Party will on demand indemnify and hold harmless the other party for and against all reasonable out-of-pocket expenses, including legal fees, execution fees and Stamp Tax, incurred by such other party by reason of the enforcement and protection of its rights under this Agreement or any Credit Support Document to which the Defaulting Party is a party or by reason of the early termination of any Transaction, including, but not limited to, costs of collection.

12. Notices

(a) ***Effectiveness***. Any notice or other communication in respect of this Agreement may be given in any manner described below (except that a notice or other communication under Section 5 or 6 may not be given by electronic messaging system or e-mail) to the address or number or in accordance with the electronic messaging system or e-mail details provided (see the Schedule) and will be deemed effective as indicated:—

(i) if in writing and delivered in person or by courier, on the date it is delivered;

(ii) if sent by telex, on the date the recipient's answerback is received;

(iii) if sent by facsimile transmission, on the date it is received by a responsible employee of the recipient in legible form (it being agreed that the burden of proving receipt will be on the sender and will not be met by a transmission report generated by the sender's facsimile machine);

(iv) if sent by certified or registered mail (airmail, if overseas) or the equivalent (return receipt requested), on the date it is delivered or its delivery is attempted;

(v) if sent by electronic messaging system, on the date it is received; or

(vi) if sent by e-mail, on the date it is delivered,

unless the date of that delivery (or attempted delivery) or that receipt, as applicable, is not a Local Business Day or that communication is delivered (or attempted) or received, as applicable, after the close of business on a Local Business Day, in which case that communication will be deemed given and effective on the first following day that is a Local Business Day.

(b) ***Change of Details***. Either party may by notice to the other change the address, telex or facsimile number or electronic messaging system or e-mail details at which notices or other communications are to be given to it.

13. Governing Law and Jurisdiction

(a) ***Governing Law***. This Agreement will be governed by and construed in accordance with the law specified in the Schedule.

(b) ***Jurisdiction***. With respect to any suit, action or proceedings relating to any dispute arising out of or in connection with this Agreement ("Proceedings"), each party irrevocably:—

(i) submits:—

(1) if this Agreement is expressed to be governed by English law, to (A) the non-exclusive jurisdiction of the English courts if the Proceedings do not involve a Convention Court and (B) the exclusive jurisdiction of the English courts if the Proceedings do involve a Convention Court; or

(2) if this Agreement is expressed to be governed by the laws of the State of New York, to the non-exclusive jurisdiction of the courts of the State of New York and the United States District Court located in the Borough of Manhattan in New York City;

(ii) waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have any jurisdiction over such party; and

(iii) agrees, to the extent permitted by applicable law, that the bringing of Proceedings in any one or more jurisdictions will not preclude the bringing of Proceedings in any other jurisdiction.

(c) ***Service of Process***. Each party irrevocably appoints the Process Agent, if any, specified opposite its name in the Schedule to receive, for it and on its behalf, service of process in any Proceedings. If for any reason any party's Process Agent is unable to act as such, such party will promptly notify the other party and within 30 days appoint a substitute process agent acceptable to the other party. The parties irrevocably consent to service of process given in the manner provided for notices in Section 12(a)(i), 12(a)(iii) or 12(a)(iv). Nothing in this Agreement will affect the right of either party to serve process in any other manner permitted by applicable law.

(d) ***Waiver of Immunities***. Each party irrevocably waives, to the extent permitted by applicable law, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from (i) suit, (ii) jurisdiction of any court, (iii) relief by way of injunction or order for specific performance or recovery of property, (iv) attachment of its assets (whether before or after judgment) and (v) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any Proceedings in the courts of any jurisdiction and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any such immunity in any Proceedings.

14. Definitions

As used in this Agreement:—

"Additional Representation" has the meaning specified in Section 3.

"Additional Termination Event" has the meaning specified in Section 5(b).

"Affected Party" has the meaning specified in Section 5(b).

"Affected Transactions" means (a) with respect to any Termination Event consisting of an Illegality, Force Majeure Event, Tax Event or Tax Event Upon Merger, all Transactions affected by the occurrence of such Termination Event (which, in the case of an Illegality under Section 5(b)(i)(2) or a Force Majeure Event under Section 5(b)(ii)(2), means all Transactions unless the relevant Credit Support Document references only certain Transactions, in which case those Transactions and, if the relevant Credit Support Document constitutes a Confirmation for a Transaction, that Transaction) and (b) with respect to any other Termination Event, all Transactions.

"Affiliate" means, subject to the Schedule, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose, "control" of any entity or person means ownership of a majority of the voting power of the entity or person.

"Agreement" has the meaning specified in Section 1(c).

"Applicable Close-out Rate" means:—

(a) in respect of the determination of an Unpaid Amount:—

(i) in respect of obligations payable or deliverable (or which would have been but for Section 2(a)(iii)) by a Defaulting Party, the Default Rate;

(ii) in respect of obligations payable or deliverable (or which would have been but for Section 2(a)(iii)) by a Non-defaulting Party, the Non-default Rate;

(iii) in respect of obligations deferred pursuant to Section 5(d), if there is no Defaulting Party and for so long as the deferral period continues, the Applicable Deferral Rate; and

(iv) in all other cases following the occurrence of a Termination Event (except where interest accrues pursuant to clause (iii) above), the Applicable Deferral Rate; and

(b) in respect of an Early Termination Amount:—

(i) for the period from (and including) the relevant Early Termination Date to (but excluding) the date (determined in accordance with Section 6(d)(ii)) on which that amount is payable:—

(1) if the Early Termination Amount is payable by a Defaulting Party, the Default Rate;

(2) if the Early Termination Amount is payable by a Non-defaulting Party, the Non-default Rate; and

(3) in all other cases, the Applicable Deferral Rate; and

(ii) for the period from (and including) the date (determined in accordance with Section 6(d)(ii)) on which that amount is payable to (but excluding) the date of actual payment:—

(1) if a party fails to pay the Early Termination Amount due to the occurrence of an event or circumstance which would, if it occurred with respect to a payment or delivery under a Transaction, constitute or give rise to an Illegality or a Force Majeure Event, and for so long as the Early Termination Amount remains unpaid due to the continuing existence of such event or circumstance, the Applicable Deferral Rate;

(2) if the Early Termination Amount is payable by a Defaulting Party (but excluding any period in respect of which clause (1) above applies), the Default Rate;

(3) if the Early Termination Amount is payable by a Non-defaulting Party (but excluding any period in respect of which clause (1) above applies), the Non-default Rate; and

(4) in all other cases, the Termination Rate.

"Applicable Deferral Rate" means:—

(a) for the purpose of Section 9(h)(i)(3)(A), the rate certified by the relevant payer to be a rate offered to the payer by a major bank in a relevant interbank market for overnight deposits in the applicable currency, such bank to be selected in good faith by the payer for the purpose of obtaining a representative rate that will reasonably reflect conditions prevailing at the time in that relevant market;

(b) for purposes of Section 9(h)(i)(3)(B) and clause (a)(iii) of the definition of Applicable Close-out Rate, the rate certified by the relevant payer to be a rate offered to prime banks by a major bank in a relevant interbank market for overnight deposits in the applicable currency, such bank to be selected in good faith by the payer after consultation with the other party, if practicable, for the purpose of obtaining a representative rate that will reasonably reflect conditions prevailing at the time in that relevant market; and

(c) for purposes of Section 9(h)(i)(3)(C) and clauses (a)(iv), (b)(i)(3) and (b)(ii)(1) of the definition of Applicable Close-out Rate, a rate equal to the arithmetic mean of the rate determined pursuant to clause (a) above and a rate per annum equal to the cost (without proof or evidence of any actual cost) to the relevant payee (as certified by it) if it were to fund or of funding the relevant amount.

"Automatic Early Termination" has the meaning specified in Section 6(a).

"Burdened Party" has the meaning specified in Section 5(b)(iv).

"Change in Tax Law" means the enactment, promulgation, execution or ratification of, or any change in or amendment to, any law (or in the application or official interpretation of any law) that occurs after the parties enter into the relevant Transaction.

"Close-out Amount" means, with respect to each Terminated Transaction or each group of Terminated Transactions and a Determining Party, the amount of the losses or costs of the Determining Party that are or would be incurred under then prevailing circumstances (expressed as a positive number) or gains of the Determining Party that are or would be realized under then prevailing circumstances (expressed as a negative number) in replacing, or in providing for the Determining Party the economic equivalent of, (a) the material terms of that Terminated Transaction or group of Terminated Transactions, including the payments and deliveries by the parties under Section 2(a)(i) in respect of that Terminated Transaction or group of Terminated Transactions that would, but for the occurrence of the relevant Early Termination Date, have been required after that date (assuming satisfaction of the conditions precedent in

Section 2(a)(iii)) and (b) the option rights of the parties in respect of that Terminated Transaction or group of Terminated Transactions.

Any Close-out Amount will be determined by the Determining Party (or its agent), which will act in good faith and use commercially reasonable procedures in order to produce a commercially reasonable result. The Determining Party may determine a Close-out Amount for any group of Terminated Transactions or any individual Terminated Transaction but, in the aggregate, for not less than all Terminated Transactions. Each Close-out Amount will be determined as of the Early Termination Date or, if that would not be commercially reasonable, as of the date or dates following the Early Termination Date as would be commercially reasonable.

Unpaid Amounts in respect of a Terminated Transaction or group of Terminated Transactions and legal fees and out-of-pocket expenses referred to in Section 11 are to be excluded in all determinations of Close-out Amounts.

In determining a Close-out Amount, the Determining Party may consider any relevant information, including, without limitation, one or more of the following types of information:—

(i) quotations (either firm or indicative) for replacement transactions supplied by one or more third parties that may take into account the creditworthiness of the Determining Party at the time the quotation is provided and the terms of any relevant documentation, including credit support documentation, between the Determining Party and the third party providing the quotation;

(ii) information consisting of relevant market data in the relevant market supplied by one or more third parties including, without limitation, relevant rates, prices, yields, yield curves, volatilities, spreads, correlations or other relevant market data in the relevant market; or

(iii) information of the types described in clause (i) or (ii) above from internal sources (including any of the Determining Party's Affiliates) if that information is of the same type used by the Determining Party in the regular course of its business for the valuation of similar transactions.

The Determining Party will consider, taking into account the standards and procedures described in this definition, quotations pursuant to clause (i) above or relevant market data pursuant to clause (ii) above unless the Determining Party reasonably believes in good faith that such quotations or relevant market data are not readily available or would produce a result that would not satisfy those standards. When considering information described in clause (i), (ii) or (iii) above, the Determining Party may include costs of funding, to the extent costs of funding are not and would not be a component of the other information being utilized. Third parties supplying quotations pursuant to clause (i) above or market data pursuant to clause (ii) above may include, without limitation, dealers in the relevant markets, end-users of the relevant product, information vendors, brokers and other sources of market information.

Without duplication of amounts calculated based on information described in clause (i), (ii) or (iii) above, or other relevant information, and when it is commercially reasonable to do so, the Determining Party may in addition consider in calculating a Close-out Amount any loss or cost incurred in connection with its terminating, liquidating or re-establishing any hedge related to a Terminated Transaction or group of Terminated Transactions (or any gain resulting from any of them).

Commercially reasonable procedures used in determining a Close-out Amount may include the following:—

(1) application to relevant market data from third parties pursuant to clause (ii) above or information from internal sources pursuant to clause (iii) above of pricing or other valuation models that are, at the time of the determination of the Close-out Amount, used by the Determining Party in the regular course of its business in pricing or valuing transactions between the Determining Party and unrelated third parties that are similar to the Terminated Transaction or group of Terminated Transactions; and

(2) application of different valuation methods to Terminated Transactions or groups of Terminated Transactions depending on the type, complexity, size or number of the Terminated Transactions or group of Terminated Transactions.

"Confirmation" has the meaning specified in the preamble.

"consent" includes a consent, approval, action, authorization, exemption, notice, filing, registration or exchange control consent.

"Contractual Currency" has the meaning specified in Section 8(a).

"Convention Court" means any court which is bound to apply to the Proceedings either Article 17 of the 1968 Brussels Convention on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters or Article 17 of the 1988 Lugano Convention on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters.

"Credit Event Upon Merger" has the meaning specified in Section 5(b).

"Credit Support Document" means any agreement or instrument that is specified as such in this Agreement.

"Credit Support Provider" has the meaning specified in the Schedule.

"Cross-Default" means the event specified in Section 5(a)(vi).

"Default Rate" means a rate per annum equal to the cost (without proof or evidence of any actual cost) to the relevant payee (as certified by it) if it were to fund or of funding the relevant amount plus 1% per annum.

"Defaulting Party" has the meaning specified in Section 6(a).

"Designated Event" has the meaning specified in Section 5(b)(v).

"Determining Party" means the party determining a Close-out Amount.

"Early Termination Amount" has the meaning specified in Section 6(e).

"Early Termination Date" means the date determined in accordance with Section 6(a) or 6(b)(iv).

"electronic messages" does not include e-mails but does include documents expressed in markup languages, and ***"electronic messaging system"*** will be construed accordingly.

"English law" means the law of England and Wales, and "English" will be construed accordingly.

"Event of Default" has the meaning specified in Section 5(a) and, if applicable, in the Schedule.

"Force Majeure Event" has the meaning specified in Section 5(b).

"General Business Day" means a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits).

"Illegality" has the meaning specified in Section 5(b).

"Indemnifiable Tax" means any Tax other than a Tax that would not be imposed in respect of a payment under this Agreement but for a present or former connection between the jurisdiction of the government or taxation authority imposing such Tax and the recipient of such payment or a person related to such recipient (including, without limitation, a connection arising from such recipient or related person being or having been a citizen or resident of such jurisdiction, or being or having been organised, present or engaged in a trade or business in such jurisdiction, or having or having had a permanent establishment or fixed place of business in such jurisdiction, but excluding a connection arising solely from such recipient or related person having executed, delivered, performed its obligations or received a payment under, or enforced, this Agreement or a Credit Support Document).

"law" includes any treaty, law, rule or regulation (as modified, in the case of tax matters, by the practice of any relevant governmental revenue authority), and ***"unlawful"*** will be construed accordingly.

"Local Business Day" means (a) in relation to any obligation under Section 2(a)(i), a General Business Day in the place or places specified in the relevant Confirmation and a day on which a relevant settlement system is open or operating as specified in the relevant Confirmation or, if a place or a settlement system is not so specified, as otherwise agreed by the parties in writing or determined pursuant to provisions contained, or incorporated by reference, in this Agreement, (b) for the purpose of determining when a Waiting Period expires, a General Business Day in the place where the event or circumstance that constitutes or gives rise to the Illegality or Force Majeure Event, as the case may be, occurs, (c) in relation to any other payment, a General Business Day in the place where the relevant account is located and, if different, in the principal financial centre, if any, of the currency of such payment and, if that currency does not have a single recognized principal financial centre, a day on which the settlement system necessary to accomplish such payment is open, (d) in relation to any notice or other communication, including notice contemplated under Section 5(a)(i), a General Business Day (or a day that would have been a General Business Day but for the occurrence of an event or circumstance which would, if it occurred with respect to payment, delivery or compliance related to a Transaction, constitute or give rise to an Illegality or a Force Majeure Event) in the place specified in the address for notice provided by the recipient and, in the case of a notice contemplated by Section 2(b), in the place where the relevant new account is to be located and (e) in relation to Section 5(a)(v)(2), a General Business Day in the relevant locations for performance with respect to such Specified Transaction.

"Local Delivery Day" means, for purposes of Sections 5(a)(i) and 5(d), a day on which settlement systems necessary to accomplish the relevant delivery are generally open for business so that the delivery is capable of being accomplished in accordance with customary market practice, in the place specified in the relevant Confirmation or, if not so specified, in a location as determined in accordance with customary market practice for the relevant delivery.

"Master Agreement" has the meaning specified in the preamble.

"Merger Without Assumption" means the event specified in Section 5(a)(viii).

"Multiple Transaction Payment Netting" has the meaning specified in Section 2(c).

"Non-affected Party" means, so long as there is only one Affected Party, the other party.

"Non-default Rate" means the rate certified by the Non-defaulting Party to be a rate offered to the Non-defaulting Party by a major bank in a relevant interbank market for overnight deposits in the applicable currency, such bank to be selected in good faith by the Non-defaulting Party for the purpose of obtaining a representative rate that will reasonably reflect conditions prevailing at the time in that relevant market.

"Non-defaulting Party" has the meaning specified in Section 6(a).

"Office" means a branch or office of a party, which may be such party's head or home office.

"Other Amounts" has the meaning specified in Section 6(f).

"Payee" has the meaning specified in Section 6(f).

"Payer" has the meaning specified in Section 6(f).

"Potential Event of Default" means any event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default.

"Proceedings" has the meaning specified in Section 13(b).

"Process Agent" has the meaning specified in the Schedule.

"rate of exchange" includes, without limitation, any premiums and costs of exchange payable in connection with the purchase of or conversion into the Contractual Currency.

"Relevant Jurisdiction" means, with respect to a party, the jurisdictions (a) in which the party is incorporated, organised, managed and controlled or considered to have its seat, (b) where an Office through which the party is acting for purposes of this Agreement is located, (c) in which the party executes this Agreement and (d) in relation to any payment, from or through which such payment is made.

"Schedule" has the meaning specified in the preamble.

"***Scheduled Settlement Date"*** means a date on which a payment or delivery is to be made under Section 2(a)(i) with respect to a Transaction.

"Specified Entity" has the meaning specified in the Schedule.

"Specified Indebtedness" means, subject to the Schedule, any obligation (whether present or future, contingent or otherwise, as principal or surety or otherwise) in respect of borrowed money.

"Specified Transaction" means, subject to the Schedule, (a) any transaction (including an agreement with respect to any such transaction) now existing or hereafter entered into between one party to this Agreement (or any Credit Support Provider of such party or any applicable Specified Entity of such party) and the other party to this Agreement (or any Credit Support Provider of such other party or any applicable Specified Entity of such other party) which is not a Transaction under this Agreement but (i) which is a rate swap transaction, swap option, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option, credit protection transaction, credit swap, credit default swap, credit default option, total return swap, credit spread transaction, repurchase transaction, reverse repurchase transaction, buy/sell-back transaction, securities lending transaction, weather index transaction or forward purchase or sale of a security, commodity or other financial instrument or interest (including any option with respect to any of these transactions) or (ii) which is a type of transaction that is similar to any transaction referred to in clause (i) above that is currently, or in the future becomes, recurrently entered into in the financial markets (including terms and conditions incorporated by reference in such agreement) and which is a forward, swap, future, option or other derivative on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, economic indices or measures of economic risk or value, or other benchmarks against which payments or deliveries are to be made, (b) any combination of these transactions and (c) any other transaction identified as a Specified Transaction in this Agreement or the relevant confirmation.

"Stamp Tax" means any stamp, registration, documentation or similar tax.

"Stamp Tax Jurisdiction" has the meaning specified in Section 4(e).

"Tax" means any present or future tax, levy, impost, duty, charge, assessment or fee of any nature (including interest, penalties and additions thereto) that is imposed by any government or other taxing authority in respect of any payment under this Agreement other than a stamp, registration, documentation or similar tax.

"Tax Event" has the meaning specified in Section 5(b).

"Tax Event Upon Merger" has the meaning specified in Section 5(b).

"Terminated Transactions" means, with respect to any Early Termination Date, (a) if resulting from an Illegality or a Force Majeure Event, all Affected Transactions specified in the notice given pursuant to Section 6(b)(iv), (b) if resulting from any other Termination Event, all Affected Transactions and (c) if resulting from an Event of Default, all Transactions in effect either immediately before the effectiveness of the notice designating that Early Termination Date or, if Automatic Early Termination applies, immediately before that Early Termination Date.

"Termination Currency" means (a) if a Termination Currency is specified in the Schedule and that currency is freely available, that currency, and (b) otherwise, Euro if this Agreement is expressed to be governed by English law or United States Dollars if this Agreement is expressed to be governed by the laws of the State of New York.

"Termination Currency Equivalent" means, in respect of any amount denominated in the Termination Currency, such Termination Currency amount and, in respect of any amount denominated in a currency other than the Termination Currency (the "Other Currency"), the amount in the Termination Currency determined by the party making the relevant determination as being required to purchase such amount of such Other Currency as at the relevant Early Termination Date, or, if the relevant Close-out Amount is determined as of a later date, that later date, with the Termination Currency at the rate equal to the spot exchange rate of the foreign exchange agent (selected as provided below) for the purchase of such Other Currency with the Termination Currency at or about 11:00 a.m. (in the city in which such foreign exchange agent is located) on such date as would be customary for the determination of such a rate for the purchase of such Other Currency for value on the relevant Early Termination Date or that later date. The foreign exchange agent will, if only one party is obliged to make a determination under Section 6(e), be selected in good faith by that party and otherwise will be agreed by the parties.

"Termination Event" means an Illegality, a Force Majeure Event, a Tax Event, a Tax Event Upon Merger or, if specified to be applicable, a Credit Event Upon Merger or an Additional Termination Event.

"Termination Rate" means a rate per annum equal to the arithmetic mean of the cost (without proof or evidence of any actual cost) to each party (as certified by such party) if it were to fund or of funding such amounts.

"Threshold Amount" means the amount, if any, specified as such in the Schedule.

"Transaction" has the meaning specified in the preamble.

"Unpaid Amounts" owing to any party means, with respect to an Early Termination Date, the aggregate of (a) in respect of all Terminated Transactions, the amounts that became payable (or that would have become payable but for Section 2(a)(iii) or due but for Section 5(d)) to such party under Section 2(a)(i) or 2(d)(i)(4) on or prior to such Early Termination Date and which remain unpaid as at such Early Termination Date, (b) in respect of each Terminated Transaction, for each obligation under Section 2(a)(i) which was (or would have been but for Section 2(a)(iii) or 5(d)) required to be settled by delivery to such party on or prior to such Early Termination Date and which has not been so settled as at such Early Termination Date, an amount equal to the fair market value of that which was (or would have been) required to be delivered and (c) if the Early Termination Date results from an Event of Default, a Credit Event Upon Merger or an Additional Termination Event in respect of which all outstanding Transactions are Affected Transactions, any Early Termination Amount due prior to such Early Termination Date and which remains unpaid as of such Early Termination Date, in each case together with any amount of interest accrued or other

compensation in respect of that obligation or deferred obligation, as the case may be, pursuant to Section 9(h)(ii)(1) or (2), as appropriate. The fair market value of any obligation referred to in clause (b) above will be determined as of the originally scheduled date for delivery, in good faith and using commercially reasonable procedures, by the party obliged to make the determination under Section 6(e) or, if each party is so obliged, it will be the average of the Termination Currency Equivalents of the fair market values so determined by both parties.

"Waiting Period" means:—

(a) in respect of an event or circumstance under Section 5(b)(i), other than in the case of Section 5(b)(i)(2) where the relevant payment, delivery or compliance is actually required on the relevant day (in which case no Waiting Period will apply), a period of three Local Business Days (or days that would have been Local Business Days but for the occurrence of that event or circumstance) following the occurrence of that event or circumstance; and

(b) in respect of an event or circumstance under Section 5(b)(ii), other than in the case of Section 5(b)(ii)(2) where the relevant payment, delivery or compliance is actually required on the relevant day (in which case no Waiting Period will apply), a period of eight Local Business Days (or days that would have been Local Business Days but for the occurrence of that event or circumstance) following the occurrence of that event or circumstance.

IN WITNESS WHEREOF the parties have executed this document on the respective dates specified below with effect from the date specified on the first page of this document.

CENTRAL VALLEY ENERGY AUTHORITY	**BP ENERGY COMPANY**
By:.....	By:.....
Name:_____	Name:_____
Title:_____	Title:_____
Date:_____	Date:_____

SCHEDULE
to the
2002 ISDA MASTER AGREEMENT
dated as of
[____], 2025 (the "Effective Date") between

CENTRAL VALLEY ENERGY AUTHORITY,
a joint powers authority organized and existing pursuant to the laws of the State of California,
("Issuer")

and

BP ENERGY COMPANY,
a corporation incorporated under the State laws of Delaware
("BPEC").

This Schedule is being entered into in accordance with the ISDA Master Agreement, dated as of [____], 2025, between Issuer and BPEC, and constitutes part of and is subject to the terms and provisions thereof.

Part 1. Termination Provisions

(a) **"Specified Entity"**

(i) means, in relation to Issuer, none; and

(ii) means, in relation to BPEC, none.

(b) **Events of Default**. Subject to the limitations set forth in Part 1(f), the following provisions shall apply with respect to Events of Default under Section 5(a):

(i) Section 5(a)(i) [Failure to Deliver] shall be deleted in its entirety and replaced with the words below and shall apply to Issuer and BPEC: "Failure by the party to make any delivery under Section 2(a)(i) or 9(h)(i)(2) or (4) required to be made by it if such failure is not remedied on or before the third (3rd) Local Delivery Day after notice of such failure is given to BPEC;".

(ii) Section 5(a)(ii) [Breach of Agreement; Repudiation of Agreement] shall apply to Issuer and to BPEC.

(iii) Section 5(a)(iii) [Credit Support Default] shall not apply to Issuer but shall apply to BPEC.

(iv) Section 5(a)(iv) [Misrepresentation] shall apply to Issuer and BPEC.

(v) Section 5(a)(v) [Default Under Specified Transaction] is deleted in its entirety and replaced with the words "INTENTIONALLY OMITTED".

(vi) Section 5(a)(vi) [Cross-Default] is deleted in its entirety and replaced with the words "INTENTIONALLY OMITTED".

(vii) Section 5(a)(vii) [Bankruptcy] shall apply to Issuer and BPEC. Clause (6) of Section 5(a)(vii) of this Agreement is hereby amended to read in its entirety as follows:

"(6)(A) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets, or (B) in the case of Issuer, (I) there shall be appointed or designated with respect to it, an organization, board, commission, authority, agency, body or similar entity to monitor, review, oversee, recommend or declare a financial emergency or similar state of financial distress with respect to Issuer or with respect to any of the property, rights or interests pledged as part of the Trust Estate (as defined in the Trust Indenture, dated as of the first day of the month in which the Bonds are issued, as the same may be amended or supplemented from time to time pursuant to one or more Supplemental Trust Indentures, or any Trust Indenture governing bonds issued as refunding bonds for bonds issued under such Trust Indenture, the "**Bond Indenture**"), between Issuer and U.S. Bank Trust Company, National Association, as trustee thereunder (in such capacity, the "**Trustee**") (and the bonds initially issued pursuant to the Bond Indenture, the "**Bonds**"), or (II) the existence of a state of financial emergency or similar state of financial distress in respect of Issuer or any of such property, rights or interests shall be declared by any legislative or regulatory body with competent jurisdiction over Issuer or any of such property, rights and interests;".

(viii) Section 5(a)(viii) [Merger Without Assumption] is deleted in its entirety and replaced with the words "INTENTIONALLY OMITTED".

(c) **Termination Events.** Subject to the limitations set forth in Part 1(f), the following provisions shall apply with respect to Termination Events under Section 5(b):

(i) Section 5(b)(i) [Illegality] shall apply to Issuer and BPEC.

(ii) Section 5(b)(ii) [Force Majeure Event] shall be deleted in its entirety, with the subsequent provisions reformatted and renumbered accordingly and all references to such renumbered sections revised accordingly throughout the Agreement.

(iii) Section 5(b)(iii) [Tax Event] shall be renumbered as Section 5(b)(ii) and it shall apply to Issuer and BPEC, provided that the following language is added to the end of Section 5(b)(ii) prior to the semi-colon: ", unless the other party agrees to waive the payment of such additional amount in respect of an Indemnifiable Tax, in the case of clause (1) above, or indemnify the Affected Party for any Tax deducted or withheld from a payment described in clause (2), other than (x) a Tax in respect of interest under Section 9(h), or (y) an Indemnifiable Tax".

(iv) Section 5(b)(iv) [Tax Event Upon Merger] shall be renumbered as Section 5(b)(iii) and it shall apply to Issuer and BPEC, provided that the following language is added to the end of Section 5(b)(iii) prior to the semi-colon: ", unless the other party agrees to waive the payment of such additional amount in respect of an Indemnifiable Tax, in the case of clause (1) above, or indemnify the Burdened

Party for any Tax deducted or withheld from a payment described in clause (2), other than an Indemnifiable Tax".

(v) Section 5(b)(v) [Credit Event Upon Merger] shall be renumbered as Section 5(b)(iv) and it shall apply to Issuer and BPEC.

(d) **Additional Termination Events**. It will constitute an Additional Termination Event hereunder upon the occurrence of any of the following events:

(i) The occurrence of a "Commodity Delivery Termination Date" under the Prepaid Commodity Sales Agreement, dated as of [____], between Aron Energy Prepay 48 LLC ("**Prepay LLC**") and Issuer (as such agreement may be amended, restated, supplemented, replaced or otherwise modified from time to time, the "**Prepaid Contract**") for any reason (regardless of whether such Commodity Delivery Termination Date is designated automatically or at the election of either party to the Prepaid Contract, and regardless of whether any rights or remedies of a party to the Prepaid Contract in connection with or resulting from such Commodity Delivery Termination Date are stayed, enjoined or otherwise prevented or limited for any reason) in which case an Early Termination Date hereunder shall occur automatically on such date.

(ii) BPEC's Indirect Parent's Credit Rating is downgraded below "Baa2" by Moody's or "BBB-" by S&P. As used in this Schedule:

"**BPEC's Indirect Parent's Credit Rating**" means the credit rating assigned by the applicable Rating Agency to (A) the senior, unsecured long-term debt obligations (not supported by third party credit enhancements) of BPEC's Indirect Parent, or (B) if there is no rating for BPEC's Indirect Parent's senior, unsecured long-term debt, then BPEC's Indirect Parent's issuer rating.

"**BPEC's Indirect Parent**" means BP Corporation North America, Inc.

"**Moody's**" means Moody's Investors Service, Inc. or any successor entity.

"**Rating Agency**" means Moody's or S&P, as applicable.

"**S&P**" means S&P Global Ratings, a division of S&P Global Inc., or any successor entity.

(iii) If the Bond Indenture is amended or otherwise modified in violation of BPEC's consent rights under Section 10.3(e) thereof, and said amendment or modification is not rescinded or otherwise cured within ten (10) days of notification of such amendment or modification by BPEC to Issuer.

(iv) If a party fails to make, when due, any payment under this Agreement if such failure is not remedied on or before the third (3rd) Local Business Day after notice of such failure is given to such party in which case an Early Termination Date hereunder shall occur automatically on such date.

(v) Any provisions of Article 17 of the Prepaid Contract, or the definition of any term used in such Article 17, is modified or amended without the prior written consent of BPEC and BPEC notifies Issuer within thirty (30) days after receiving notice of such modification or amendment and copies thereof that, if not rescinded, in the reasonable opinion of BPEC determined in good faith, such modification or amendment would (I) change the circumstances under which the Prepaid Contract is or may be terminated or assigned by either party thereto, or the timing of any such termination or assignment, or (II) increase the likelihood or the time period that (x) any Transaction under this Agreement may remain in effect following the early termination of any Transaction under and as defined in the ISDA Master Agreement between Prepay LLC and BPEC of even date herewith (the "**Seller Swap**") or (y) the Seller Swap may remain in effect following the early termination of any Transaction under this Agreement.

(vi) Issuer fails to promptly exercise its right to suspend all commodity deliveries under a Commodity Supply Contract (as defined in the Bond Indenture) to any Project Participant (as defined in the Bond Indenture) that fails to pay when due any amounts owed to Issuer thereunder.

(vii) Delivery of the notice described in Section 17.5(b)(ii) or Section 17.5(b)(iii) of the Prepaid Contract with respect to the Seller Swap, in which case an Early Termination Date shall occur automatically on the "Early Termination Date" (as defined in the Seller Swap) specified in such notice.

(viii) Delivery by Issuer to BPEC on or before the date that is 120 days prior to the end of the then-current Reset Period (as defined in the Prepaid Contract) of notice (a "**Reset Termination Exercise Notice**") designating an Early Termination Date that is the last day of the then-current Reset Period, which Early Termination Date shall (a) be conditioned on the termination of the Seller Swap occurring effective as of the same date and (b) occur automatically on the last day of the then-current Reset Period if the condition set forth in clause (a) has been satisfied. Issuer may deliver a Reset Termination Exercise Notice as determined in its sole discretion. For the avoidance of doubt, delivery of a Reset Termination Exercise Notice shall not prevent the designation or occurrence of an Early Termination Date that is earlier than the last day of the then-current Reset Period if an Event of Default or a Termination Event occurs that is subject to a shorter notice period.

(ix) A Regulatory Event occurs with respect to BPEC; provided that (A) BPEC gives notice of such Regulatory Event to Issuer no later than 180 days prior to the last day of the then-current Reset Period (as defined in the Prepaid Contract) (a "**Relevant Reset Period**"), and (B) if requested by Issuer, BPEC agrees to negotiate in good faith for a period of not less than 45 days (or such lesser time as requested by Issuer) with respect to potential modifications to this Agreement to mitigate the effects of such Regulatory Event. If such a notice of a Regulatory Event is given and the parties are unable to agree to mutually acceptable modifications to this Agreement to mitigate the effects of such Regulatory Event, then all Transactions hereunder shall be deemed to be Affected Transactions and shall terminate as of the end of the Relevant Reset Period. For the purposes of this Additional Termination Event, (A) BPEC will be the

Affected Party for the purposes of Section 6(b)(i), but shall nonetheless have the sole right to terminate for this Additional Termination Event in accordance with Section 6(b)(iv) as if BPEC was not the Affected Party, and (B) BPEC's right to terminate for this Additional Termination Event is conditioned on the termination of the Seller Swap occurring effective as of the same date. For the avoidance of doubt, delivery of a termination notice for this Additional Termination Event shall not prevent the designation or occurrence of an Early Termination Date that is earlier than the last day of the then-current Reset Period if an Event of Default or a Termination Event occurs that is subject to a shorter notice period.

(x) Both (A) BPEC has provided or is deemed to have provided the Objection Notice to Issuer by the Objection Notice Deadline for an ensuing Reset Period exercising BPEC's right to designate an Early Termination Date if such Reset Period exceeds 7.5 years in duration and (B) the ensuing Reset Period exceeds 7.5 years in duration. For the purposes of this Additional Termination Event, (A) BPEC will be the Affected Party for the purposes of Section 6(b)(i), but shall nonetheless have the sole right to terminate for this Additional Termination Event in accordance with Section 6(b)(iv) as if BPEC was not the Affected Party, (B) all Transactions shall be Affected Transactions and shall terminate as of the last day of the then-current Reset Period, and (C) BPEC's right to terminate for this Additional Termination Date is conditioned on the termination of the Seller Swap occurring effective as of the same date. For the avoidance of doubt, delivery of a termination notice for this Additional Termination Event shall not prevent the designation or occurrence of an Early Termination Date that is earlier than the last day of the then-current Reset Period if an Event of Default or a Termination Event occurs that is subject to a shorter notice period.

For purposes of this Part 1(d), the Affected Parties are identified below:

Additional Termination Event	**Affected Party/Parties**
Part 1(d)(ii)	BPEC
Part 1(d)(iii)	Issuer
Part 1(d)(iv)	The party failing to make a payment
Part 1(d)(v)	Issuer
Part 1(d)(vi)	Issuer
Part 1(d)(ix)	BPEC
Part 1(d)(x)	BPEC

For the avoidance of doubt, the identification of Affected Parties for any Additional Termination Event is made solely for the purpose of determining the party entitled to

designate an Early Termination Date under Section 6(a) or Section 6(b) of the Agreement. Part 1(d)(i), Part 1(d)(vii) and Part 1(d)(viii) are not listed above because the Early Termination Date will be established automatically upon the occurrence of the events therein described.

(e) **Early Termination**. The following shall apply with respect to early termination under Section 6:

(i) Section 6(a) is hereby amended by deleting the reference to "20 days" in the third line thereof and replacing it with "60 days".

(ii) The **"Automatic Early Termination"** provision of Section 6(a) will not apply to Issuer and will not apply to BPEC.

(iii) **Transfer to Avoid Termination Event**. Section 6(b)(ii) of the Agreement is amended by deleting the following words from the final paragraph: ", which consent will not be withheld if such other party's policies in effect at such time would permit it to enter into transactions with the transferee on the terms proposed".

(iv) Section 6(b)(iv) is further amended by deleting the references to "20 days" in the tenth and fifteenth lines thereof and replacing them with "60 days".

(v) Section 6(c)(ii) shall be deleted in its entirety and replaced with the following:

"Upon the occurrence of an Early Termination Date, neither party shall have any obligation to make any further payments hereunder (other than Unpaid Amounts) if and to the extent that the scheduled due date for such payments is any day on or after such Early Termination Date, without prejudice to Section 6(e) of this Agreement."

(vi) **Payments on Early Termination**. Section 6(e) of the Agreement is deleted and replaced in its entirety with the following:

"(e) ***Payments on Early Termination***. If an Early Termination Date occurs, each party will pay to the other party any Unpaid Amounts due to such other party (subject to any netting pursuant to Section 2(c)) (the "**Early Termination Amount**"), and NO OTHER AMOUNTS SHALL BE PAYABLE BY EITHER PARTY.

WITHOUT PREJUDICE TO PAYMENTS WHICH HAVE ALREADY BEEN MADE BY EITHER PARTY OR HAVE FALLEN DUE IN RESPECT OF A TRANSACTION GOVERNED BY THIS AGREEMENT PRIOR TO THE OCCURRENCE OF AN EARLY TERMINATION DATE AND WITHOUT PREJUDICE TO THE FIRST PARAGRAPH OF THIS SECTION 6(e) WITH RESPECT TO THE OBLIGATIONS TO PAY UNPAID AMOUNTS, THE PARTIES AGREE AND ACKNOWLEDGE THAT:

(i) THEIR OBLIGATIONS TO MAKE ANY PAYMENT ARE CONDITIONAL UPON SUCH EARLY TERMINATION DATE NOT HAVING OCCURRED ON OR BEFORE THE DATE SPECIFIED FOR

THAT PAYMENT PURSUANT TO THE CONFIRMATION AND NEITHER PARTY SHALL HAVE ANY OBLIGATION TO MAKE THAT PAYMENT IF, ON OR BEFORE THE DATE SPECIFIED FOR THAT PAYMENT, SUCH EARLY TERMINATION DATE HAS OCCURRED IN ACCORDANCE WITH SECTION 2(a)(iii);

(ii) EACH PARTY'S RIGHT TO RECEIVE ANY PAYMENTS IS INDEPENDENT OF ITS RIGHT TO RECEIVE ANY PAYMENTS WHICH HAVE PREVIOUSLY BEEN MADE, OR WHICH HAVE FALLEN DUE, BEFORE THE OCCURRENCE OF SUCH EARLY TERMINATION DATE AND A PARTY'S ENTITLEMENT TO RECEIVE SUBSEQUENT PAYMENTS IS NOT UNCONDITIONALLY EARNED BY THE MAKING OF ANY PREVIOUS PAYMENTS PRIOR TO THE OCCURRENCE OF SUCH EARLY TERMINATION DATE;

(iii) IT SHALL BE THE RESPONSIBILITY OF BOTH PARTIES TO ENSURE THAT ITS ACCOUNTING, REGULATORY AND ALL OTHER TREATMENTS OF THE TRANSACTIONS ARE CONSISTENT WITH THE CONDITIONAL NATURE OF ITS ENTITLEMENT TO RECEIVE ANY PAYMENT; AND

(iv) THE TRANSACTIONS HAVE BEEN EXECUTED UNDER MATERIALLY DIFFERENT TERMS (INCLUDING, WITHOUT LIMITATION, PRICING) FROM THAT WHICH WOULD BE AVAILABLE FOR A TRANSACTION WHERE THE PAYMENT OBLIGATIONS OF THE PARTIES WERE NOT SUBJECT TO THE EARLY TERMINATION PROVISIONS (AS SET FORTH HEREIN).

The parties agree and acknowledge that they are party to other agreements containing provisions, when analyzed together with the provisions in this Agreement regarding the consequences of the occurrence of such Early Termination Date (the "**Early Termination Provisions**"), provide a commercial incentive to agree to those Early Termination Provisions."

(vii) **"Termination Currency"** means United States Dollars.

(viii) The definition of "**Unpaid Amounts**" shall be amended and restated as follows:

"**Unpaid Amounts**" owing to any party means, with respect to an Early Termination Date, the aggregate of (a) in respect of all Terminated Transactions, the amounts that became payable (or that would have become payable but for Section 2(a)(iii)) to such party under Section 2(a)(i) on or prior to such Early Termination Date and which remain unpaid as of such Early Termination Date, and (b) in respect of each Terminated Transaction, (i) for any Determination Period (as defined in the Confirmation for such Terminated Transaction) under such Terminated Transaction (A) that has ended prior to such day and (B) for which the Scheduled Settlement Date for such Terminated Transaction has not yet occurred, the amount that would be payable with respect to such Determination Period on the Scheduled Settlement Date therefor, and (ii) for the Determination Period in which the Early Termination Date occurs, a prorated portion of the payment that would be payable on the

Scheduled Settlement Date for such Determination Period based on the number of days that have elapsed during such Determination Period prior to and including such day relative to the total number of days in such Determination Period.

(f) **Limitation on Termination Rights**. Notwithstanding anything in Section 6 of this Agreement to the contrary, Issuer and BPEC shall have no right to designate, and shall not designate, an Early Termination Date for any Termination Events or Events of Default other than those specified in Section 5(a)(iii) [Credit Support Default], Section 5(a)(vii) [Bankruptcy] and Part 1(d) [Additional Termination Events], provided that Issuer and BPEC as applicable may pursue any equitable remedies available to them in the case of any other Events of Default or Termination Events.

(g) **Assignment of Right to Any Termination Payment Other than Unpaid Amounts**.

(i) The parties acknowledge that the terms of the Seller Swap and the ISDA Agreement (as defined below) governing such Seller Swap do not entitle BPEC to any payments in respect of any termination of the Seller Swap other than for "Unpaid Amounts" (as defined in such ISDA Agreement). Nonetheless, BPEC hereby presently transfers and assigns to Issuer all of BPEC's right, title and interest to any payments and rights to receive payments that BPEC receives or becomes entitled to receive in the future arising as a result of or otherwise in respect of any early termination of the Seller Swap, excluding only any right for BPEC to receive Unpaid Amounts thereunder.

(ii) The parties further acknowledge that (A) the terms of the Seller Swap and the ISDA Agreement (as defined below) governing such Seller Swap do not entitle Prepay LLC to any payments in respect of any termination of the Seller Swap other than for Unpaid Amounts (as defined in such ISDA Agreement) and (B) pursuant to the terms of the Prepaid Contract, Prepay LLC has assigned to Issuer all rights to any payments and rights to receive payments that Prepay LLC receives or becomes entitled to receive in the future arising as a result of or otherwise in respect of any early termination of the Seller Swap excluding only any right for Prepay LLC to receive Unpaid Amounts (as defined in such ISDA Agreement) (any such payment under clause (B), excluding any such Unpaid Amounts, a "**Seller Swap MTM Payment**"). As additional consideration hereunder, Issuer hereby transfers and assigns to BPEC all of Issuer's right, title, and interest to all payments and rights to receive payments, if any, that Issuer receives or becomes entitled to receive in the future arising as a result of or otherwise in respect of the Seller Swap MTM Payment. Issuer agrees that it will not take any steps to enforce any right to receive any payments that it has assigned to BPEC pursuant to this Part 1(g).

Part 2. Tax Representations

(a) **Payer Tax Representations.** For the purposes of Section 3(e), Issuer and BPEC make the following representation:

It is not required by any applicable law, as modified by the practice of any relevant governmental

revenue authority, of any Relevant Jurisdiction to make any deduction or withholding for or on account of any Tax from any payment (other than interest under Section 9(h) of this Agreement) to be made by it to the other party under this Agreement. In making this representation, it may rely on (i) the accuracy of any representations made by the other party pursuant to Section 3(f) of this Agreement, (ii) the satisfaction of the agreement contained in Section 4(a)(i) or 4(a)(iii) of this Agreement, and the accuracy and effectiveness of any document provided by the other party pursuant to Section 4(a)(i) or 4(a)(iii) of this Agreement, and (iii) the satisfaction of the agreement of the other party contained in Section 4(d) of this Agreement, provided that it shall not be a breach of this representation where reliance is placed on clause (ii) and the other party does not deliver a form or document under Section 4(a)(iii) by reason of material prejudice to its legal or commercial position.

(b) **Payee Tax Representations.** For the purpose of Section 3(f), Issuer and BPEC make the following representations:

(i) Issuer represents that (i) it is a joint powers authority organized and existing pursuant to the laws of the State of California and (ii) it is a "U.S. person" (as that term is used in Section 1.1441-4(a)(3)(ii) of the United States Treasury Regulations) for United States federal income tax purposes.

(ii) BPEC represents that (i) it is a corporation organized and existing under the laws of the State of Delaware, (ii) it is a U.S. person within the meaning of Section 7701 of the Internal Revenue Code, and (iii) its U.S. taxpayer identification number is 36-3421804.

Part 3. Agreement to Deliver Documents

(a) For the purpose of Section 4(a), Tax forms, documents, or certificates to be delivered are:

Party required to deliver document	Forms/Documents/Certificates	Date by which to be delivered
Issuer and BPEC	United States Internal Revenue Service Form W-9, or any successor to such form, completed accurately and in a manner reasonably acceptable to the other party	(i) Upon execution of this Agreement, (ii) promptly upon reasonable demand by the other party, and (iii) promptly upon learning that the information on any such previously delivered form is inaccurate or incorrect
Issuer and BPEC	Any other forms or documents, accurately completed and in a manner reasonably satisfactory to the other party, that may be required or reasonably requested in order to allow the other party to make a payment under this Agreement, without any deduction or withholding for or on account of any Tax or with such deduction at a reduced rate	Promptly upon the reasonable demand of such other party

(b) Other documents to be delivered are:

Party required to deliver	Form/Document/Certificate	Date by which to be delivered	Covered by Section 3(d) Representation
Issuer and BPEC	Evidence of authority of signatories	Upon the Effective Date	Yes
Issuer and BPEC	Most recent annual audited financial statements of Issuer and BPEC's Indirect Parent, as applicable	With respect to Issuer, not later than the 180th day following the end of each of its fiscal years (or as soon thereafter as practicable in the event preparation is delayed). With respect to BPEC's Indirect Parent, upon written request, unless publicly available through EDGAR or at www.bp.com	Yes
Issuer	Certified resolutions of its board of directors or other governing body approving (i) this Agreement and the arrangements contemplated herein, and (ii) the Prepaid Contract and the Bond Indenture	Upon the Effective Date	Yes
Issuer	An up to date certified copy of its constituting documents	Upon the Effective Date	Yes
Issuer	Executed copy of the Bond Indenture and of the Prepaid Contract and executed copies of any amendments or modifications to the Bond Indenture or the Prepaid Contract	Upon the execution of the Bond Indenture and the Prepaid Contract, respectively, and with respect to any amendment or modification to the Bond Indenture or the Prepaid Contract, immediately upon entering into such amendment or modification	Yes

Issuer and BPEC	Executed copy of the Custodial Agreement (as defined in Part 5(p) of this Schedule)	On or prior to the date of initial issuance of the Bonds	No
Issuer	Executed copy of the Commodity Supply Contract (as defined in the Bond Indenture)	On or prior to the date of initial issuance of the Bonds	Yes
Issuer	Legal opinion of counsel to Issuer addressed to BPEC (or a letter or other document making BPEC an addressee of an existing legal opinion and reaffirming such legal opinion) substantially in the form attached to the Bond Purchase Contract between Goldman, Sachs & Co. LLC and Issuer related to the purchase of the Bonds	On or prior to the date of initial issuance of the Bonds	No
Issuer	Copies of a legal opinion of counsel to the Project Participant (as defined in the Bond Indenture) delivered to Trustee pursuant to [Section 2.3(f)] of the Bond Indenture	On or prior to the date of initial issuance of the Bonds	No
Issuer	A notice indicating the balance of the Commodity Swap Reserve Account (as defined in the Bond Indenture)	Monthly, within ten (10) days of receipt of this information by Issuer from the Trustee under the Bond Indenture, utilizing a delivery method designated by Issuer to BPEC from time to time	No
Issuer	Each document required to be delivered to the Trustee pursuant to [Section 7.16] of the Bond Indenture	When required to be delivered to the Trustee under the Bond Indenture	No

BPEC	Disclosures of Material Information Concerning Swaps	Available at www.bpecresource.bp.com	No
Issuer	Dodd Frank related documentation	Upon the execution of this Agreement	No
Issuer	(1) A copy of any notice received by Issuer of any withdrawal, suspension or reduction of the rating assigned by Moody's or Fitch to the Bonds issued under the Bond Indenture; and (2) notice of the occurrence of any of the following known to Issuer: an "Event of Default" under the Bond Indenture, any "Commodity Delivery Termination Event" or "Termination Payment Event" under the Prepaid Contract	When required to be delivered to the Trustee under the Bond Indenture and promptly after Issuer receives the same or notice thereof	No

Part 4. Miscellaneous

(a) **Addresses for Notices**. For the purpose of Section 12(a):

(i) Address for notices or communications to Issuer:

Central Valley Energy Authority
333 East Canal Drive

Turlock, California 95380
Attention: [____]
Email: [____]

(ii) Address for notices or communications to BPEC:

Address for Confirmations to BPEC:

Address:	BP Energy Company 201 Helios Way Houston, Texas 77079
Attention:	Confirmation Department
Facsimile:	281-227-8470
E-mail:	nagpconfirmations@bp.com

Address for other notices or communications to BPEC (other than Confirmations)

Address:	BP Energy Company 201 Helios Way Houston, Texas 77079
Attention:	Contract Services
Telephone:	713-323-2000
Email:	FinancialContractsExternal@uk.bp.com

Address for Invoices to BPEC:

Address:	BP Energy Company 201 Helios Way Houston, Texas 77079
Attention:	Financial Settlements
Telephone:	713-323-2000
E-mail:	nagpfs1@bp.com

Wire Payment Instructions:

To the custodian's account indicated in Section 3(a) of the Custodial Agreement, with the wire payment instructions set forth in each Confirmation executed between the parties dated as of the date of the Prepaid Contract.

Address for Complaints to BPEC:

E-mail: BPEnergyNotice@bp.com

(b) **Process Agent**. For the purpose of Section 13(c):

Issuer appoints as its Process Agent: not applicable.

BPEC appoints as its Process Agent: not applicable.

(c) **Offices**. The provisions of Section 10(a) will apply to this Agreement.

(d) **Multibranch Party**. For the purpose of Section 10(b) and 10(c):

(e) Issuer is not a Multibranch Party.

BPEC is not a Multibranch Party.

(f) **Calculation Agent**. The Calculation Agent is Issuer subject to the requirements of Part 6 of this Schedule. Whenever the Calculation Agent is required to act, it will do so reasonably and in good faith, and its determinations and calculations shall be binding in the absence of manifest error. For the avoidance of doubt, if the Calculation Agent's method of determination of a particular calculation differs from the corresponding method of determination of a calculation performed by Prepay LLC in its role as Calculation Agent under the ISDA Agreement relating to the Seller Swap, such difference shall be considered manifest error. Notwithstanding the foregoing, if the Seller Swap has terminated or been replaced or Prepay LLC is subject to an Event of Default thereunder, all determinations and calculations by the Calculation Agent shall be subject to agreement by BPEC. If the Calculation Agent and BPEC are unable to agree within one Local Business Day, each party hereto agrees to be bound by the determination of an independent dealer selected by agreement between the parties (the "**Substitute Calculation Agent**"), whose fees and expenses, if any, shall be met equally by them both. If the parties hereto are unable to agree on a Substitute Calculation Agent within one Local Business Day, they shall each select an independent dealer and such independent dealers shall agree on a third party, who shall be deemed to be the Substitute Calculation Agent. Subject to the foregoing, all determinations and calculations by the Calculation Agent or Substitute Calculation Agent will be binding and conclusive in the absence of manifest error.

(g) **Credit Support Document**.

With respect to Issuer, not applicable.

With respect to BPEC, not applicable.

(h) **Credit Support Provider**.

Credit Support Provider means in relation to Issuer, none.

Credit Support Provider means in relation to BPEC, none.

(i) **Governing Law**. This Agreement and each Transaction entered into hereunder will be governed by, and construed and enforced in accordance with, the laws of the State of New York, without regard to any conflicts of law principles that would direct the application of another jurisdiction's laws; provided, however, that the authority of Issuer to enter into and perform its obligations under this Agreement shall be determined in accordance with the laws of the State of California.

(j) **Jurisdiction**. Section 13(b) is hereby amended (i) by deleting in the second line of subparagraphs (i)(1) and (i)(2) thereof the word "non-" and (ii) deleting subparagraph (ii) and substituting therefor the following:

"Nothing in this Agreement precludes either party from bringing Proceedings in any other jurisdiction if (A) the courts of the State of New York or the United States District Court located in the Borough of Manhattan in New York City lacks jurisdiction over the parties or the subject matter of the Proceedings or declines to accept the Proceedings on the grounds of lacking such jurisdiction; (B)

the Proceedings are commenced by a party for the purpose of enforcing against the other party's property, assets or estate any decision or judgment rendered by any court in which Proceedings may be brought as provided hereunder; (C) the Proceedings are commenced to appeal any such court's decision or judgment to any higher court with competent appellate jurisdiction over that court's decisions or judgments if that higher court is located outside the State of New York or Borough of Manhattan, such as a federal court of appeals or the U.S. Supreme Court; or (D) any suit, action or proceeding has been commenced in another jurisdiction by or against the other party or against its property, assets or estate (including, without limitation, any suit, action or proceeding described in Section 5(a)(vii)(4) of this Agreement), and, in order to exercise or protect its rights, interests or remedies under this Agreement, the party (1) joins, files a claim, or takes any other action, in any such suit, action or proceeding, or (2) otherwise commences any Proceeding in that other jurisdiction as the result of that other suit, action or proceeding having commenced in that other jurisdiction."

(k) **Netting of Payments**. Subparagraph (ii) of Section 2(c) will apply to Transactions.

(l) **WAIVER OF TRIAL BY JURY**. EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY SUIT, ACTION OR PROCEEDING RELATING TO THIS AGREEMENT. EACH PARTY ACKNOWLEDGES THAT IT AND THE OTHER PARTY HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS PARAGRAPH.

(m) **"Affiliate"** will have the meaning specified in Section 14 of this Agreement.

(n) **Absence of Litigation.** Section 3(c) is amended by the inclusion of the word "adversely" before the word "affect" in the third line.

(o) **No Agency.** The provisions of Section 3(g) will apply to Issuer and will apply to BPEC.

Part 5. Other Provisions

(a) **Conditions**. Section 2(a)(iii) is hereby deleted in its entirety and replaced with the following text:

"(iii) Each obligation of each party under Section 2(a)(i) is subject to the condition precedent that no Early Termination Date in respect of the relevant Transaction has occurred."

(b) **Accuracy of Specified Information**. Section 3(d) is hereby amended by adding in the third line thereof after the word "respect" and before the period, the phrase "and, in the case of audited or unaudited financial statements, a fair presentation of the financial condition of the relevant person."

(c) **Additional Representations**. The parties agree to amend Section 3 by adding new Sections 3(h), (i), (j) and (k) as follows:

"(h) **Eligible Contract Participant**. It is an "eligible contract participant," as defined in the U.S. Commodity Exchange Act.

(i) **Non-Reliance.** It is acting for its own account, and it has made its own independent decisions to enter into this Agreement, including each Transaction, and as to whether each Transaction is appropriate or proper for it based upon its own judgment and upon

advice from such advisers as it has deemed necessary. It is not relying on any communication (written or oral) of the other party (or any Affiliate thereof) as investment advice or as a recommendation to enter into any Transaction; it being understood that information and explanations related to the terms and conditions of any Transaction shall not be considered investment advice or a recommendation to enter into that Transaction. No communication (written or oral) received from the other party (or any Affiliate thereof) shall be deemed to be an assurance or guarantee as to the expected results of any Transaction.

(j) **Assessment and Understanding**. It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts, the terms, conditions and risks of this Agreement, including each Transaction. It is also capable of assuming, and assumes, the risks of this Agreement, including each Transaction.

(k) **Status of Parties**. The other party is not acting as a fiduciary for or an adviser to it in respect of this Agreement, including each Transaction.

(d) **Transfer**. The following amendments are hereby made to Section 7:

(i) In the third line, insert the words "which consent will not be arbitrarily withheld or delayed," immediately before the word "except".

(ii) In clause (a), insert the words "or reorganization, incorporation, reincorporation, or reconstitution into or as," immediately before the word "another".

(iii) The following shall be inserted as Section 7(c): "Issuer has the right, at any time and at Issuer's sole cost and expense, to novate this Agreement or the Transactions hereunder to a new swap counterparty designated by Issuer, provided that, no later than the effective date of such novation both (A) Issuer has paid all amounts that have fallen due and payable to BPEC as of such novation, and (B) either (i) the Seller Swap has been terminated, or (ii) the Seller Swap is subject to termination (notwithstanding whether notice designating an early termination date in respect of such Seller Swap has been given) and BPEC's interest in such Seller Swap is also novated to the same new swap counterparty pursuant to Section 7(c) thereof, with such novation having the same effective date as the effective date of the novation hereunder."

(iv) The following shall be inserted as Section 7(d): "If (x) an IM Assignment Event (as defined in the Seller Swap) occurs under the Seller Swap and (y) Prepay LLC reduces the Notional Quantity per Determination Period under the Confirmations to the Seller Swap to zero consistent with Section 7(d) thereof, Issuer agrees that it will also reduce the Notional Quantity per Determination Period under the Confirmations to this Agreement to zero as of the date of such assignment until such time that the BPEC SIMM (as defined in the Seller Swap) takes effect."

(e) **Consent to Recording**. Each party consents to the recording of telephone conversations, e-mail and instant messaging between the trading, marketing and other relevant personnel of the parties and their Affiliates, with or without the use of a warning tone, in connection with this Agreement any Transaction or any potential Transaction, and to the retention, monitoring or transfer to or from Affiliates and/or regulatory bodies (as applicable) of such recordings (in any

jurisdiction), for the purposes of compliance with applicable law or regulation, quality assurance or record-keeping, provided however, that it shall be the responsibility of each party to satisfy any notice and/or consent requirements imposed by applicable law or regulation with respect to the recording that it conducts, and agrees that recordings may be submitted in evidence in any Proceedings, to the extent permitted by applicable law.

(f) **Definitions**. This Agreement, each Confirmation and each Transaction is subject to the 2005 ISDA Commodity Definitions as published by ISDA (the "**Definitions**"), and will be governed in all respects by the Definitions. The Definitions are incorporated by reference in, and made part of, this Agreement and each Confirmation as if set forth in full in this Agreement and such Confirmations. In the event of any inconsistency between the provisions of this Agreement and the Definitions, this Agreement will prevail. Subject to Section 1(b), in the event of any inconsistency between the provisions of any Confirmation, this Agreement, and the Definitions, such Confirmation will prevail for the purpose of the relevant Transaction.

(g) **LIMITATION OF LIABILITY**. NO PARTY SHALL BE REQUIRED TO PAY OR BE LIABLE FOR PUNITIVE, EXEMPLARY, SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES (WHETHER OR NOT ARISING FROM ITS NEGLIGENCE OR STRICT LIABILITY) TO ANY OTHER PARTY; PROVIDED, HOWEVER, THAT NOTHING IN THIS PROVISION SHALL AFFECT THE ENFORCEABILITY OF SECTION 6(e) OF THIS AGREEMENT AS AMENDED HEREIN.

(h) **Set-off.** Section 6(f) is deleted in its entirety and replaced with the following:

"**Set-off**. Without affecting the provisions of this Agreement requiring the calculation of certain net payment amounts, all payments under this Agreement will be made without setoff, recoupment or counterclaim, and the parties waive all rights of setoff, counterclaim, recoupment or any other defense that might be available with regard to the obligations of the parties pursuant to the terms of this Agreement."

(i) **Acknowledgement and Representations of the Parties**.

(i) The parties acknowledge and agree that the business objectives of the ISDA Agreements are to enable Issuer to facilitate its ability to enter into the Prepaid Contract while it will sell the commodities obtained under such agreement on a floating price basis. The parties intend the ISDA Agreements to remain in place for the duration of the Prepaid Contract, subject only to the automatic and elective termination provisions set forth in the ISDA Agreements (collectively, the "**Termination Events**"). An "**ISDA Agreement**" is a reference to either this Agreement or the ISDA Master Agreement governing the Seller Swap, as applicable, and "**ISDA Agreements**" is a reference to both such agreements.

(ii) Although the Transactions under and as defined in each of the ISDA Agreements are subject to termination upon the occurrence of certain Termination Events, upon such termination, no party will be obligated to make any mark-to-market settlement or other payment to the other party, except for amounts owing under the relevant ISDA Agreement prior to its termination.

(iii) Each party acknowledges that it is not relying on the advice of the other party nor any of its affiliates for legal, accounting, tax or investment matters, it is seeking and will rely on the advice of its own professionals and advisors for such matters and it will make an

independent analysis and decision regarding the ISDA Agreements, in the case of BPEC, or this Agreement, in the case of Issuer, based on such advice. In addition, each party acknowledges that it will determine, without reliance upon the other party or any of its affiliates, the economic risks and merits, as well as the legal, tax and accounting characterizations and consequences, of the ISDA Agreements, in the case of BPEC, or this Agreement, in the case of Issuer, and that it will be capable of assuming such risks. Nothing herein shall give rise to any liability or responsibility on the part of either party or any of its affiliates for the success or otherwise of the ISDA Agreements, in the case of BPEC, or this Agreement, in the case of Issuer.

(iv) BPEC is duly authorized to enter into the ISDA Agreements and Issuer is duly authorized to enter into this Agreement. Each party has the authority to make the representations and warranties in this Part 5(i).

(v) Entering into the ISDA Agreements, in the case of BPEC, and this Agreement, in the case of Issuer, is consistent with each party's internal policies, including, without limitation, controllers, credit, tax, accounting, legal and other relevant policies.

(vi) Each of BPEC and Issuer has obtained all internal approvals necessary to enter into the ISDA Agreements, in the case of BPEC, and this Agreement, in the case of Issuer, including, without limitation and as applicable, approval from its controllers department, credit department, tax department, accounting department, legal department and other relevant sources.

(j) **No Immunity.** BPEC is not entitled to and shall not assert the defense of sovereign immunity with respect to its obligations or any claims under this Agreement.

(k) **No Other Transactions**. The following shall be inserted at the end of Section 2(a)(i):

"The parties agree that the only Transactions that will be governed by this Agreement shall be the Transactions evidenced by the three Confirmations executed by the parties dated as of the date of the Prepaid Contract."

(l) **Market Disruption Events**. The provisions of Section 7.4(d)(i) of the Definitions are hereby specifically incorporated by reference.

(m) **Liability of Issuer Limited to Trust Estate**. Notwithstanding anything to the contrary in this Agreement, the liabilities of Issuer hereunder shall be limited in all respects to the Trust Estate (as defined in the Bond Indenture) and shall be subject to the priority of payment and other provisions set forth in the Bond Indenture.

(n) **Bankruptcy Code**. Without limiting the applicability if any, of any other provision of the U.S. Bankruptcy Code as amended (the "**Bankruptcy Code**") (including without limitation Sections 362, 546, 556, and 560 thereof and the applicable definitions in Section 101 thereof), the parties acknowledge and agree that all Transactions entered into hereunder will constitute "forward contracts" or "swap agreements" as defined in Section 101 of the Bankruptcy Code or "commodity contracts" as defined in Section 761 of the Bankruptcy Code, that the rights of the parties under Section 6 of this Agreement will constitute contractual rights to liquidate Transactions, that any margin or collateral provided under any margin, collateral, security, pledge, or similar agreement related hereto will constitute a "margin payment" as defined in Section 101 of the Bankruptcy Code, and that the parties are entities entitled to the rights

under, and protections afforded by, Sections 362, 546, 556, and 560 of the Bankruptcy Code.

(o) **ISDA Dodd Frank Protocols**. Each of the parties hereby agrees to enter into additional reasonable documentation or modify existing documentation between the parties to satisfy the requirements imposed upon one or both of the parties by the Dodd Frank Act, the Commodity Exchange Act and/or CFTC Regulations thereunder, including, upon reasonable request, adhering to or entering into such other protocols, suggested amendments, market conventions and other contractual provisions published by ISDA from time to time and intended to enhance one or both party's compliance with the Commodity Exchange Act, the Dodd Frank Act, CFTC Regulations and other applicable laws, or to facilitate the orderly processing of Transactions.

(p) **Custodial Agreement**. The parties acknowledge that all payments due by Issuer in respect of Transactions hereunder will be made in accordance with that certain Custodial Agreement, dated as of the date of the initial issuance of the Bonds (as the same may be amended, restated, supplemented, replaced or otherwise modified from time to time, the "**Custodial Agreement**") by and among Issuer, BPEC, the Trustee and U.S. Bank Trust Company, National Association, in its capacity as custodian thereto (the "**Custodian**"), provided, however, that Issuer will be deemed to have satisfied a payment obligation if it has paid the amount due in respect thereof in accordance with the Custodial Agreement, regardless of whether the Custodian complies with its obligations under the Custodial Agreement. For the avoidance of doubt, BPEC shall not be entitled to any payment under this Agreement that is duplicative of any payment made by Issuer under Section 3(e) of the Custodial Agreement.

(q) **Additional Definitions.**

"**Bond Documents**" means: (i) the Prepaid Contract; (ii) the Commodity Supply Contract; (iii) the Bond Indenture; and (iv) all other documents, agreements and instruments associated with any of the foregoing (i) – (iii), each as amended, amended and restated, replaced or otherwise modified from time to time.

"**Commodity Supply Contract**" means the Commodity Supply Agreement, relating to the Commodity Project (as defined in the Bond Indenture) between Issuer and the Project Participant thereunder, as may be amended, restated, supplemented, replaced or otherwise modified from time to time.

"**Regulatory Event**" means, with respect to BPEC, that, after the date hereof (i) one or more new laws comes into existence or existing laws are modified (including in each case the adoption of laws to become effective prospectively and laws resulting in new or modified Taxes), (ii) such new laws or modifications to existing laws (A) individually or collectively have or are reasonably expected to have a material adverse economic effect upon BPEC's rights and obligations under this Agreement and such material adverse economic effect cannot be avoided or overcome through the exercise of commercially reasonable efforts, and (B) do not constitute an Illegality, and (iii) such material adverse economic effect will be avoided by BPEC's termination of this Agreement.

(r) **Notices**. The wording of Section 12(a)(iii) shall be replaced in its entirety by the following:

"if sent by facsimile transmission, on receipt by the sender of a valid transmission report."

(s) **Confidentiality.** If information would be permitted to be disclosed pursuant to DF Supplement Section 2.13, then such disclosure shall be permitted under any other applicable confidentiality

provision or agreement. Any confidential information received by a party may be used by such party and, to the extent disclosure is not restricted hereunder, may be disclosed and used by such permitted recipients, including in each case use by persons acting in a structuring, sales or trading capacity.

(t) **Agreements – Amendment to Section 4.** Section 4 is hereby amended by adding at the end thereof:

"(f) ***Negative Covenants.*** Issuer agrees that so long as it shall have any obligations hereunder it shall not, directly or indirectly:

(i) distribute, amend or modify, or consent to the distribution, amendment or modification of any official statement or any other disclosure document relating to the Bonds that references BPEC, without the prior written approval by BPEC of any such reference, which consent shall not be unreasonably withheld or delayed, provided that such prior written approval shall not be required if the proposed disclosure in respect of BPEC does not deviate from the disclosure as to BPEC included in that certain Official Statement dated as of the date of the Prepaid Contract (other than deviations in respect of updated information in respect of BPEC consisting solely of publicly available information), or

(ii) take any action under any Bond Documents which requires pursuant to the express terms thereof that BPEC consent to the taking of such action unless Issuer receives the prior written consent of BPEC to take such action, which consent shall not be unreasonably withheld or delayed.

(u) **Representations.** The opening paragraph of Section 3 is amended by replacing "in the case of the representations in Section 3(f) with "in the case of the representations in Sections 3(f)" and adding the following new sub-sections 3(h)(i), 3(h)(ii) and 3(h)(iii):

"(h) ***Dodd Frank Representations.***

(i) ***Hedging Transactions.*** Unless otherwise noted in the applicable Confirmation for any Transaction, such Transaction constitutes for Issuer a bona fide hedging transaction as defined in CFTC Regulation 1.3(z) (17 C.F.R. § 1.3(z)).

(ii) [***End User Clearing Exemption.*** If with respect to any Transaction, Issuer has elected an exemption from the clearing requirement under Section 2(h)(7)(A) of the CEA, then as of the date of the execution of such Transaction (and not as of the date of this Agreement) (1) it is not a "financial entity" as defined in Section 2(h)(7)(C)(i) of the CEA, subject to certain exceptions in Sections 2(h)(7)(C)(ii), 2(h)(7)(C)(iii) and 2(h)(7)(D) of the CEA; (2) it is using such Transaction to hedge or mitigate commercial risk; (3) it has reported the information required to be submitted under 17 C.F.R. § 50.50(b)(1)(iii) in an annual filing made no more than 365 days prior to the Trade Date of such Transaction, pursuant to 17 C.F.R. § 50.50(b)(2), and (4) to the extent it is required to do so under Section 2(j) of the CEA and 17 C.F.R. § 50.50(b)(1)(iii)(D)(2), it has obtained all necessary approvals by the appropriate committee (or equivalent body) of its board of directors to rely on the exception to the clearing requirement under Section 2(h)(7)(A) of the CEA.]

(iii) ***Variation and Initial Margin Requirements Representations.*** Issuer represents

that it is not a Financial End User, Swap Dealer or Major Swap Participant as set forth in CFTC Regulation 23.151."

(v) **End of Reset Period.** The parties acknowledge and agree that Prepay LLC will provide BPEC with a notice no later than the date that is 105 days prior to the end of the then-current Reset Period ("**Reset Period Notice Deadline**") indicating the proposed length of the ensuing Reset Period if longer than 7.5 years ("**Reset Period Notice**"). Upon BPEC's receipt of the Reset Period Notice or following the Reset Period Notice Deadline if no Reset Period Notice is delivered, BPEC may, no later than the date that is 90 days prior to the end of the then-current Reset Period (the "**Objection Notice Deadline**"), provide written notice to Prepay LLC and the Issuer (an "**Objection Notice**") indicating either that (i) BPEC objects to the proposed ensuing Reset Period exceeding 7.5 years and exercises the right to designate an Early Termination Date under Part 1(d)(x) if such Reset Period exceeds 7.5 years, or that (ii) BPEC does not exercise such right; provided, however, that in the event that BPEC fails to respond to such Reset Period Notice by the Objection Notice Deadline or BPEC does not receive the Reset Period Notice, BPEC shall be deemed to have issued an Objection Notice exercising its right to designate an Early Termination Date under Part 1(d)(x) if the ensuing Reset Period exceeds 7.5 years.

Part 6. Disruption Fallbacks

The **"Disruption Fallback"** of "Calculation Agent Determination" specified in Section 7.5(c) of the Definitions shall apply to all Transactions, as if references in the Definitions to "Relevant Price" and "Pricing Date" were references to "Floating Price (as specified in the relevant Confirmation)" and "the first Local Business Day of each Determination Period (as specified in the relevant Confirmation)", respectively; provided that if a Disruption Fallback affects a Relevant Price under this Agreement and the same Relevant Price under the Seller Swap, Issuer shall be required to use the same calculation as is used by Prepay LLC under the Seller Swap.

[SEPARATE SIGNATURE PAGE(S) ATTACHED]

IN WITNESS WHEREOF, each of the parties has executed this document in counterpart on the respective dates specified below with effect from the date specified on the first page of this document.

CENTRAL VALLEY ENERGY AUTHORITY

_____

Name:_____

Title:_____

Date:_____

BP ENERGY COMPANY

_____

Name:_____

Title:_____

Date:_____

[Letterhead]

[____], 2025

To: Central Valley Energy Authority
333 East Canal Drive
Turlock, California 95380

From: BP Energy Company
201 Helios Way
Houston, TX 77079

BPEC Contract Reference Nos.: [____]

The purpose of this letter agreement (this "Confirmation") is to confirm the terms and conditions of the following transaction (the "Transaction") entered into on the Trade Date specified below between Central Valley Energy Authority ("Issuer") and BP Energy Company ("BPEC").

The definitions and provisions of the 2005 ISDA Commodity Definitions (as published by the International Swaps and Derivatives Association, Inc.) are incorporated into this Confirmation. In the event of any inconsistency between these definitions and the provisions of this Confirmation, this Confirmation shall govern.

This confirmation letter is being provided pursuant to and in accordance with the ISDA Master Agreement (including the Schedule thereto) each dated as of [____], 2025 (the "Master Agreement") between Issuer and BPEC, and constitutes part of and is subject to the terms and provisions of such Master Agreement. This Confirmation constitutes a "Confirmation" within the meaning of the Master Agreement that supplements, forms part of and is subject to the Master Agreement. Terms used but not defined herein shall have the meanings ascribed to them in the Master Agreement.

The commercial terms of this Transaction are as follows:

Trade Date:	[____], 2025
Commodity:	With respect to the Contract Quantity of Gas under and as defined in the Prepaid Contract (the "Gas Contract Quantity"), Gas. With respect to the Contract Quantity of Electricity under and as defined in the Prepaid Contract (the "Electricity Contract Quantity"), Electricity; provided that there will be no Electricity price swap hereunder unless and until (x) the Switch Date (as defined in the

	Prepaid Contract) occurs and (y) an updated Exhibit A-1 is delivered by Issuer that reduces the Gas Contract Quantity effective on the Switch Date consistent with the terms of the Prepaid Contract.
Fixed Price Payer:	BPEC
Floating Price Payer:	Issuer
Pricing Point:	With respect to the Gas Contract Quantity, each point listed as a Primary Gas Delivery Point in Exhibit A-1. With respect to the Electricity Contract Quantity, if any, each point listed as a Primary Electricity Delivery Point in Exhibit A-2.
Start Date:	[____], 2025
End Date:	This Swap shall be for an initial term of two calendar months commencing on the Start Date and the term shall automatically extend by an additional calendar month upon each payment due date of the Net Settlement amount hereunder until the earlier of (A) an Early Termination Date has occurred or has been effectively designated and (B) [____], 20[__].
Determination Period(s):	With respect to the Gas Contract Quantity, each calendar month beginning with the Start Date and ending on the End Date. With respect to the Electricity Contract Quantity, if any, each Delivery Hour as set forth on Exhibit A-2.
Notional Quantity per Determination Period:	With respect to each Pricing Point: With respect to the Gas Contract Quantity, the quantity of MMBtus set forth in the column "MMBtu/Month" for such Pricing Point and such Determination Period as set forth in Exhibit A-1. With respect to the Electricity Contract Quantity, the "Hourly Quantity", if any, for such Pricing Point and such Determination Period as set forth in Exhibit A-2.
Fixed Price:	With respect to the Gas Contract Quantity, $[____] per MMBtu. With respect to the Electricity Contract Quantity, if any, $[____] per MWh.

Floating Price:	With respect to the Gas Contract Quantity, the Contract Index Price set forth on Exhibit A-1 for each Pricing Point. With respect to the Electricity Contract Quantity, if any, the Contract Index Price set forth on Exhibit A-2 for each Pricing Point.
Settlement Calculation:	With respect to each Pricing Point, for each Determination Period, if the Fixed Price for such Determination Period is greater than the Floating Price then the Fixed Price Payer shall owe the Floating Price Payer an amount equal to the product of (x) the Fixed Price minus the Floating Price, and (y) the Notional Quantity per Determination Period. With respect to each Pricing Point, for each Determination Period, if the Floating Price for such Determination Period is greater than the Fixed Price then the Floating Price Payer shall owe the Fixed Price Payer the absolute value of an amount equal to the product of (x) the Fixed Price minus the Floating Price, (which shall be negative) and (y) the Notional Quantity per Determination Period. With respect to each Pricing Point, for each Determination Period, if the Fixed Price for such Determination Period is equal to the Floating Price, then no amount shall be owed by either party.
Net Settlement:	For each Determination Period, the Calculation Agent shall calculate the Settlement Calculation with respect to each Pricing Point and the aggregate Settlement Calculation amounts owed by both the Floating Price Payer and the Fixed Price Payer. If one party's aggregate amount exceeds the other party's aggregate amount then the party with the larger aggregate amount shall pay the excess of the larger aggregate amount over the smaller aggregate amount. Such amount shall be due on the Payment Date corresponding to each Determination Period.
Payment Date(s):	With respect to each Determination Period, the 25th day of the month following such Determination Period, but if such day is not a Business Day, then the next following Business Day.

Business Day:	Local Business Day in New York
Calculation Agent:	Issuer
Market Disruption Events:	As per ISDA Master Agreement
Wire Instructions for Transfers to Issuer:	U.S. Bank, NA ABA: 091000022 FBO: U.S. Bank Trust NA Acct: 180121167365 FFC: [____] Address: 777 E. Wisconsin Av. Milwaukee, WI 53202-5300
Wire Instructions for Transfers to BPEC:	As set forth in the Custodial Agreement

[The remainder of this page is intentionally left blank.]

This Confirmation may be executed and delivered in counterparts (including by facsimile transmission) or be created by an exchange of telexes or by an exchange of electronic messages on an electronic messaging system, which in each case upon your confirmation in the manner prescribed hereunder, will be deemed for all purposes to be a legally binding Transaction.

Please confirm that the foregoing correctly sets forth the terms of our agreement with respect to the Transaction by responding within two (2) Business Days by promptly signing in the space provided below and returning same to us by facsimile transmission. Your failure to respond within such period shall not affect the validity or enforceability of the Transaction as against you. This facsimile shall be the only Confirmation documentation in respect of this Transaction and accordingly no hard copy versions of this Confirmation for this Transaction shall be provided.

Signed on behalf of Central Valley Energy Authority

By: _____

Name: _____

Title: _____

Signed on behalf of BP Energy Company

By: _____

Name: _____

Title: _____

EXHIBIT A-1

GAS DELIVERY POINTS; GAS CONTRACT QUANTITY

[To be attached.]

EXHIBIT A-2

ELECTRICITY DELIVERY POINTS; HOURLY QUANTITY*

[To be attached.]

* For the avoidance of doubt, the Hourly Quantity of Electricity is included herein on the Trade Date for reference only, and there will be no Electricity price swap hereunder unless and until (x) the Switch Date (as defined in the Prepaid Contract) occurs and (y) an updated Exhibit A-1 is delivered that reduces the Gas Contract Quantity effective on the Switch Date consistent with the terms of the Prepaid Contract.

RE-PRICING AGREEMENT

This Re-Pricing Agreement (this "Agreement") is made and entered into as of [____], 2025, by and between Aron Energy Prepay 48 LLC, a Delaware limited liability company ("Prepay LLC"), and Central Valley Energy Authority, a joint powers authority and public entity of the State of California (the "Issuer"). Each of Prepay LLC and the Issuer is individually referred to as a "Party", and collectively as the "Parties".

RECITALS:

WHEREAS, the Issuer is issuing its Bonds pursuant to the Bond Indenture in order to provide funds to acquire the Commodity Supply from Prepay LLC pursuant to the Prepaid Agreement;

WHEREAS, in connection with its acquisition of the Commodity Supply, the Issuer has entered into a Commodity Supply Contract with the Project Participant providing for the sale of the Commodity Supply by the Issuer to the Project Participant;

WHEREAS, the price payable by the Project Participant for the Commodity Supply includes a discount to the index price set forth in the Commodity Supply Contract, which discount has been established for the Initial Reset Period therein and will be re-established for each subsequent Reset Period under the terms and conditions set forth herein; and

WHEREAS, under the terms of the Commodity Supply Contract, prior to each Reset Period after the Initial Reset Period, the Project Participant may elect to have its Commodity Supply remarketed if the Available Discount Percentage established for any portion of a Reset Period is less than the Minimum Discount specified therein.

NOW, THEREFORE, in consideration of the premises above and the mutual covenants and agreements herein set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Section 1. Definitions. For all purposes of this Agreement, except as otherwise expressly provided herein or unless the context otherwise requires, capitalized terms used herein shall have the meanings set forth below, which shall be equally applicable to both the singular and plural forms of such terms.

"Additional Reduction Amount" has the meaning set forth in Exhibit A.

"Annual Refund" has the meaning set forth in the Commodity Supply Contract.

"Available Discount Percentage" means, for each Reset Period, the final amount determined by the Calculation Agent as of the applicable Bond Pricing Date pursuant to Exhibit A, expressed as a percentage of the Prepay Fixed Price (as defined in the Commodity Supply Contract), which may not be less for any portion of the Reset Period than the lower of (i) the last Estimated Available Discount Percentage provided or updated by the Calculation Agent pursuant to Section 5(a) for such portion of the Reset Period, and (ii) the highest Minimum Discount

Percentage applicable to such portion of the Reset Period. The Available Discount Percentage may vary during different periods of time during a Reset Period.

"Bond Closing Date" means the date on which the Bonds are issued pursuant to the Bond Indenture.

"Bond Indenture" means the Trust Indenture, dated as of the first day of the month of the Bond Closing Date, between the Issuer and the Trustee, as the same may be amended or supplemented from time to time pursuant to one or more Supplemental Bond Indentures, or any Trust Indenture governing bonds issued as refunding bonds for Bonds issued under such Trust Indenture.

"Bond Pricing Date" means, for any Reset Period, the date of execution of the applicable bond remarketing agreement or bond purchase agreement.

"Bonds" means the Series 2025 Bonds issued pursuant to the Bond Indenture.

"Business Day" has the meaning set forth in the Bond Indenture.

"Calculation Agent" means Prepay LLC.

"Commodity" has the meaning set forth in the Prepaid Agreement.

"Commodity Supply" means respect to the Prepaid Agreement, the aggregate Monthly Contract Quantities of Commodities to be delivered by Prepay LLC under the Prepaid Agreement.

"Commodity Supply Contract" means, the Commodity Supply Contract, dated as of the first day of the month of the Bond Closing Date, between the Issuer and the Project Participant, as may be amended from time to time.

"[Commodity Unit" has the meaning set forth in the Prepaid Agreement.]

"Contract Quantity" has the meaning set forth in the Prepaid Agreement.

"Delivery Period" has the meaning set forth in the Prepaid Agreement.

"Delivery Period Implied Rate" has the meaning set forth in Exhibit A.

"Estimated Available Discount Percentage" has the meaning set forth in Section 5(a).

"Excess Amount" is the positive difference, if any, of the Prior Remaining Commodity Value less the New Remaining Delivery Cost.

"Fixed Rate" has the meaning set forth in Exhibit A.

"Funding Agreement" has the meaning set forth in the Prepaid Agreement.

"Funding Recipient" has the meaning set forth in the Prepaid Agreement.

"Initial Reset Period" means the period from [____] to [____].

"Interest Rate Period" has the meaning set forth in the Bond Indenture.

"Issuer" has the meaning set forth in the preamble.

"LLC Agreement" means the Amended and Restated Limited Liability Company Agreement of Prepay LLC, dated as of [____], 2024.

"Minimum Discount Percentage" has the meaning set forth in the Commodity Supply Contract.

"Monthly Contract Quantity" means, for any month, the aggregate quantity of Commodities to be delivered by Prepay LLC to the Issuer under the Prepaid Agreement for such month.

"Monthly Discount Percentage" has the meaning set forth in Section 6(b).

"New Remaining Delivery Cost" has the meaning set forth in Exhibit A.

"New Reset Period" has the meaning set forth in Exhibit A.

"Old Reset Period" has the meaning set forth in Exhibit A.

"Outstanding" has the meaning set forth in the Bond Indenture.

"Participant Notification Deadline Day" means, with respect to each Reset Period, the last day on which the Issuer is permitted to provide a notice of the Estimated Available Discount Percentage to the Project Participant under the Commodity Supply Contract.

"Prepaid Agreement" means the Prepaid Commodity Sales Agreement, dated as of [____], 2025, between Prepay LLC and the Issuer, as the same may be amended or supplemented in accordance with its terms.

"Prepay LLC" has the meaning set forth in the preamble.

"Prior Remaining Commodity Value" has the meaning set forth in Exhibit A.

"Project Participant" has the meaning set forth in the Bond Indenture.

"Qualified Firm Offer" means, for any Reset Period after the Initial Reset Period, a binding offer from a Qualified Funding Recipient on the Bond Pricing Date for such Reset Period to provide a Funding Agreement that reflects (i) a Reset Period Implied Rate that is sufficient to achieve the Minimum Discount Percentage (as defined in the Commodity Supply Contract) for such Reset Period, and (ii) a Reset Period length that complies with the requirements of Section 3.

"Qualified Funding Recipient" has the meaning set forth in the LLC Agreement.

"Qualified Potential Offer" means, for any Reset Period after the Initial Reset Period, indicative pricing from a Qualified Funding Recipient that would constitute a Qualified Firm Offer if made on the Bond Pricing Date for such Reset Period.

"Re-pricing Date" means, for any Reset Period, any Business Day not earlier than 90 days prior to the earlier of (i) the date on which the Bonds then Outstanding may be called for optional redemption in accordance with the Bond Indenture, and (ii) the day following the last day of the Reset Period then in effect.

"Re-pricing Period" means, for any Reset Period, the period of time prior to such Reset Period during which a Re-pricing Date could occur for such Reset Period.

"Remaining Commodity Value" has the meaning set forth in Exhibit A.

"Remaining Delivery Cost" has the meaning set forth in Exhibit A.

"Reset Period" means each period determined pursuant to Section 3.

"Reset Period Implied Rate" has the meaning set forth in Exhibit A.

"Series" means Bonds designated as a Series and authorized to be issued by the Issuer pursuant to Section 2.1 of the Bond Indenture.

"Supplemental Bond Indenture" means any Bond Indenture supplemental to or amendatory of the Bond Indenture executed and delivered by the Issuer and the Trustee in accordance with Article X of the Bond Indenture.

"Termination Payment Adjustment Schedule" has the meaning set forth in the Prepaid Agreement.

"Trustee" means the trustee under the Bond Indenture and its successors and assigns.

Section 2. Purpose of Agreement and Intention of Parties. The Parties are entering into this Agreement in connection with the execution and delivery of the Bond Indenture, the Prepaid Agreement and the other transaction documents for the purpose of establishing the methodology for determining the Available Discount Percentage for each Reset Period following the Initial Reset Period.

Section 3. Reset Periods. Each Reset Period shall commence on the next day that follows the last day of the Initial Reset Period or, subsequently, the immediately prior Reset Period. The length of each Reset Period shall be the remaining term of the Delivery Period unless the Calculation Agent elects, in its sole discretion, a shorter period, which period may not be shorter than the lesser of (a) three years or (b) the remaining term of the Delivery Period without the Issuer's consent; provided further that:

(i) The Initial Reset Period and each subsequent Reset Period (other than the final Reset Period) shall end the last day of the month preceding the end of the Interest

Rate Period. For example, if the Interest Rate Period ends October 31, the last day of the Reset Period would end September 30, and

(ii) the final Reset Period shall end on the last day of the Delivery Period.

Section 4. Reserved.

Section 5. Estimated Available Discount Percentage.

(a) On any Business Day not earlier than the 70th day prior to the earliest potential Re-pricing Date for any Reset Period and not later than 10 Business Days prior to the latest potential Re-pricing Date for any Reset Period, the Issuer may request that the Calculation Agent provide an estimate of the length of such Reset Period, Reset Period Implied Rate and Available Discount Percentage (the "Estimated Available Discount Percentage") that are anticipated to apply to such Reset Period. In determining the Estimated Available Discount Percentage, the Calculation Agent shall utilize the methodology set forth in Exhibit A. The Calculation Agent may provide initial or updated estimates on its own initiative or upon a subsequent request from the Issuer.

(b) The Issuer shall notify the Project Participant of the Estimated Available Discount Percentage and any updates thereto under the relevant provision of the Commodity Supply Contract. Unless the Calculation Agent and the Issuer otherwise agree, in any notice of Estimated Available Discount Percentage provided to the Project Participant prior to the Participant Notification Deadline Day, the Issuer shall clearly indicate in such notice that the notice is provisional and not intended to trigger the Project Participant's right to provide a CSC Remarketing Election (as defined in the Prepaid Agreement).

(c) If, at any time during the Re-pricing Period for a Reset Period, a Qualified Funding Recipient provides a Qualified Firm Offer for such Reset Period, Issuer agrees that it will execute a bond purchase or remarketing agreement reflecting a Funding Agreement for such Reset Period between Prepay LLC and the Qualified Funding Recipient selected by Prepay LLC for such Reset Period.

(d) Issuer agrees to cooperate in good faith with Prepay LLC and to take all steps reasonably within Issuer's control that are necessary, in each case, to cause a Bond Pricing Date to occur for any Qualified Potential Offer that Prepay LLC elects to pursue, which steps shall include retaining an underwriter or remarketing agent for the Bonds to be priced and participating in the Bond marketing or remarketing process.

Section 6. Determination of Available Discount Percentage and Monthly Discount Percentage.

(a) The Calculation Agent shall determine on the Bond Pricing Date the Available Discount Percentage for such Reset Period in accordance with the methodology set forth in Exhibit A.

(b) For each Reset Period after the Initial Reset Period, the Calculation Agent shall determine the monthly Discount Percentage portion of the Available Discount Percentage for

such Reset Period (the "Monthly Discount Percentage"), which shall be expressed as a percentage of the Prepay Fixed Price (as defined in the Commodity Supply Contract). The Issuer and the Calculation Agent then shall mutually agree upon the projected Annual Refund for such Reset Period, which shall be determined consistent with the Commodity Supply Contract and shall be the remaining portion of the Available Discount Percentage.

Section 7. Termination Payment Adjustment Schedule; Monthly Quantity Changes.

(a) For any Reset Period, the Calculation Agent may modify the Termination Payment Adjustment Schedule to reflect changes to in the Remaining Commodity Values set forth on Attachment 1 to Exhibit A and otherwise, provided that such modifications are sufficient to meet the redemption requirements of the Bonds to be sold for such Reset Period.

(b) The Issuer and the Calculation Agent agree that the Prepaid Agreement will be amended to reflect any reductions to Monthly Contract Quantities determined pursuant to Exhibit A.

Section 8. Timing. The dates and time intervals stated in this Agreement may be waived or altered by the mutual agreement of the Parties.

Section 9. Termination. This Agreement shall terminate automatically upon termination of the Prepaid Agreement for any reason. For the avoidance of doubt, nothing in this Agreement or any other agreement restricts the ability of Funding Recipient to repay or prepay the Funding Agreement as set forth in the Funding Agreement, which election to repay or prepay may be made by Funding Recipient in its sole and absolute discretion in accordance with the terms of the Funding Agreement. Any such termination shall not be considered a failure by the Calculation Agent to act in good faith hereunder, regardless of whether the Parties have previously discussed pricing that may apply to any Reset Period or otherwise taken the steps required under this Agreement.

Section 10. Communications. All notices, requests and other communications shall be in writing (including facsimile, electronic mail or other electronic means) provided to the addresses and pursuant to the notice requirements of the Prepaid Agreement.

Section 11. Miscellaneous.

(a) Incorporation by Reference. Article X [Jurisdiction; Waiver of Jury Trial] and Sections 19.3 [Entirety; Amendments], 19.4 [Governing Law], 19.5 [Non-Waiver], 19.6 [Severability], 19.7 [Exhibits], 19.9 [Relationship of Parties], 19.13 [Counterparts] of the Prepaid Agreement are incorporated by reference into this Agreement, *mutatis mutandis*, as if fully set forth herein.

(b) Amendments to Commodity Supply Contract and Bond Indenture. The Issuer shall not agree to or consent to any modification, supplement, amendment or waiver of any provision of the Commodity Supply Contract or Bond Indenture that affects the meaning of any defined term herein or the operation of any provision hereof, without the prior written consent of Prepay LLC.

[Signature Pages Follow]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed and delivered by their respective duly authorized officers as of the date first written above.

ARON ENERGY PREPAY 48 LLC
By: J. Aron & Company LLC, its Manager

By:_____
Name:_____
Title:_____

CENTRAL VALLEY ENERGY AUTHORITY

By:_____
Name:_____
Title:_____

Exhibit A

The Calculation Agent will undertake the following steps in determining the Available Discount Percentage for any Reset Period (each, a "New Reset Period"):

- Step 1: Determine the "Prior Remaining Commodity Value"
    - The Calculation Agent will determine the Remaining Commodity Value for the last month of the current Reset Period (the "Old Reset Period") based on Attachment 1 hereto, as such Attachment 1 initially existed or was last updated at the beginning of the prior Reset Period (the "Prior Remaining Commodity Value").
    - "Remaining Commodity Value" means, for any month, the amount set forth on Attachment 1 of the Exhibit A as the "Remaining Commodity Value" for such month, as Attachment 1 may be updated pursuant to this Exhibit A in connection with the establishment of any new Reset Period.

- Step 2: The Calculation Agent will specify the length of the New Reset Period pursuant to Section 3 of the Agreement

- Step 3: The Calculation Agent will specify a Reset Period Implied Rate for the New Reset Period and a Delivery Period Implied Rate
    - "Reset Period Implied Rate" means, for any Reset Period other than the Initial Reset Period, a fixed rate offered by the Funding Recipient for such Reset Period as of the Bond Pricing Date for such Reset Period, which rate the Parties acknowledge (i) will be determined by Funding Recipient in its sole and absolute discretion based on the rate of Funding Recipient, and (ii) for which the Funding Recipient may consider all relevant factors, including (w) the nature of the source of funding provided by the Funding Agreement, including any applicable regulatory or capital charges, (x) the tenor, (y) market interest for such funding at the time, and (z) any other unique attributes of the Funding Agreement funding relative to other sources available to Funding Recipient. The Parties acknowledge that, for purposes of providing an Estimated Available Discount Percentage, the Calculation Agent may rely on indicative pricing proposals from a Qualified Funding Recipient.
    - "Delivery Period Implied Rate" means, for any remaining portion of the Delivery Period that is not covered by a Reset Period, a fixed rate determined by the Calculation Agent in its sole and absolute discretion as of the Bond Pricing Date for such Reset Period which the Calculation Agent determines (in its sole discretion) that Funding Recipient would be able to acquire, as of the date of determination, funding from other sources comparable to the funding provided by the Funding Agreement as of the date of determination if such Funding Agreement were extended for the entire Delivery Period. In determining such a rate, and the Calculation Agent may consider all relevant factors, including (w) the nature of the source of funding provided by the

Funding Agreement, including any applicable regulatory or capital charges, (x) the length of the Delivery Period, (y) market interest for such funding at the time, and (z) any other unique attributes of the Funding Agreement funding relative to other sources available to Funding Recipient.

- Step 4: Determine the "New Remaining Delivery Cost"
  - The Calculation Agent will determine the "Remaining Delivery Cost" for each month of the Delivery Period after the Old Reset Period. The Remaining Delivery Cost for the first month of the New Reset Period is the "New Remaining Delivery Cost".
  - "Remaining Delivery Cost" means, for any determination month, an amount calculated by the Calculation Agent equal to the net present value of a stream of monthly payments equal to the Monthly Contract Quantities multiplied by the applicable Fixed Price (as set forth in Exhibit F to the Prepaid Agreement) for the remainder of the Delivery Period (including such determination month), discounted at the Reset Period Implied Rate for the New Reset Period and the Delivery Period Implied Rate for the remainder of the Delivery Period after the New Reset Period.

- Step 5: Additional Reduction Amount or Changing Monthly Contract Quantities
  - If the Prior Remaining Commodity Value is less than the New Remaining Delivery Cost:
    - If the Reset Period will go to the end of the Delivery Period, the Calculation Agent will reduce the Monthly Contract Quantities to zero in as many months as necessary at the end of the Delivery Period (and, to the extent necessary, reduce the Monthly Contract Quantities in the last remaining month of the Reset Period to a quantity greater than zero) such that the Prior Remaining Commodity Value is equal to the New Remaining Delivery Cost.
    - If the Reset Period will end prior to the Delivery Period, the Calculation Agent may reduce the Monthly Contract Quantities as provided above to the extent such reduction results in a greater Available Discount Percentage for such Reset Period.
  - If the Prior Remaining Commodity Value is greater than the New Remaining Delivery Cost:
    - Subject to the following bullet, the Calculation Agent will pay to the Issuer the amount, if any, by which (A) the Prior Remaining Commodity Value exceeds (B) the New Remaining Delivery Cost (the "Additional Reduction Amount") on the first day of the contemplated Interest Rate Period, which payment shall be applied by the Issuer to the retirement of Bonds.
    - Notwithstanding the prior bullet, the Calculation Agent shall elect to retain a portion of the Excess Amount to the extent (i) the Reset Period will end prior to the Delivery Period, (ii) such retention results in a greater Available Discount Percentage, and (iii) doing so is

consistent with the amortization requirement of the Bonds. If the Calculation Agent elects to retain a portion of such Excess Amount pursuant to the foregoing proviso, the Additional Reduction Amount shall be the portion of such Excess Amount that the Calculation Agent elects to pay.

- Any Additional Reduction Amount or changes in Monthly Contract Quantities will then be included in calculating the New Remaining Delivery Cost. An Additional Reduction Amount will reduce the Prior Remaining Commodity Value for this purpose.
- The Calculation Agent will amend Attachment 1 hereto effective as of the beginning of the New Reset Period such that the Remaining Commodity Value for each month in the New Reset Period and the remainder of the Delivery Period is equal to the Remaining Delivery Cost for such month as determined under Step 4 and updated under this Step 5.

- Step 6: Determine the Fixed Rate for the Bonds for the term of such contemplated Interest Rate Period
  - The remarketing agent or underwriter of the Bonds for such contemplated Interest Rate Period will specify the Fixed Rate.
  - "Fixed Rate" means, for any New Reset Period, the fixed rate or rates of interest payable by the Issuer with respect to a Series of Bonds or, in the case of a Series of Variable Rate Bonds (as defined in the Bond Indenture), the fixed rate payable by the Issuer under the related fixed rate swap transaction, which Fixed Rates will be determined on the Bond Pricing Date at a rate sufficient to enable all the Bonds to be sold or remarketed on such Bond Pricing Date in accordance with the Bond Indenture (which sale price may include a premium or discount to par), as determined based on market information then available.

- Step 7: Determine Monthly Discount Percentage Portion of Available Discount Percentage
  - The Calculation Agent will determine the Monthly Discount Percentage portion of the Available Discount Percentage for each portion of the Reset Period based on the expected differences between monthly revenues and monthly debt service and other obligations of the Commodity Project (as defined in the Bond Indenture).

- Step 8: Determine Annual Refund Portion of Available Discount Percentage
  - The Calculation Agent and Issuer shall mutually agree upon the projected Annual Refund (as defined in the Commodity Supply Contract) for the Reset Period, which shall be determined consistent with the Commodity Supply Contract and shall be the remaining portion of the Available Discount Percentage.

Attachment 1 to Exhibit A

Remaining Commodity Values

(To be attached.)

CUSTODIAL AGREEMENT

This Custodial Agreement (this "Custodial Agreement") is made and entered into as of [____], 2025, by and among BP Energy Company, a Delaware Corporation ("Swap Counterparty"), Central Valley Energy Authority, a joint powers authority organized and existing pursuant to the laws of the State of California (the "Issuer"), U.S. Bank Trust Company, National Association, in its capacity as trustee under the Bond Indenture (defined below) (in such capacity, the "Trustee") and U.S. Bank Trust Company, National Association, in its capacity as custodian hereunder (in such capacity, the "Custodian").

RECITALS:

WHEREAS, the Issuer is issuing its [Commodity Supply Revenue Bonds, Series 2025] (the "Bonds") pursuant to the Trust Indenture, dated as of [____], 2025 (the "Bond Indenture") between the Issuer and the Trustee; and

WHEREAS, Aron Energy Prepay 48 LLC, a Delaware limited liability company ("Prepay LLC"), as seller, and the Issuer, as purchaser, are entering into a Prepaid Commodity Sales Agreement, dated as of [____], 2025 (the "Prepaid Agreement"); and

WHEREAS, in connection with the execution of the Prepaid Agreement, the Issuer and Swap Counterparty are entering into an ISDA Master Agreement, dated as of [____], 2025, together with the Schedule, dated as of [____], 2025, and a Confirmation, dated as of [____], evidencing a commodity price swap transaction thereunder (such ISDA Master Agreement, Schedule and Confirmation, the "Front-End Commodity Swap"); and

WHEREAS, concurrently with the execution of the Front-End Commodity Swap, Swap Counterparty and Prepay LLC are entering into a corresponding commodity price swap transaction pursuant to an ISDA Master Agreement, dated as of [____], 2025, together with the Schedule and Credit Support Annex, each dated as of [____], 2025, and a Confirmation, dated as of [____], 2025, (such ISDA Master Agreement, Schedule, Credit Support Annex and Confirmation, the "Back-End Commodity Swap"); and

WHEREAS, Swap Counterparty, the Issuer, the Trustee and the Custodian propose to enter into this Custodial Agreement in order to administer payments under the Front-End Commodity Swap.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Defined Terms. Any capitalized term used herein and not otherwise defined herein (including in the recitals) shall have the meaning assigned to such term in the Bond Indenture.

Section 2. Appointment of Custodian. The Issuer and Swap Counterparty hereby appoint U.S. Bank Trust Company, National Association as Custodian under this Custodial

Agreement, with such rights and obligations as are specifically set forth herein. The Custodian hereby accepts such appointment under the terms and conditions set forth herein.

Section 3. Payments Account.

(a) With respect to payments required to be made by the Issuer under the Front-End Commodity Swap, there is hereby established with the Custodian the custodial account detailed below (the "Issuer Payments Account"); and (A) any and all net payments payable by the Issuer to Swap Counterparty pursuant to Section 2(a)(i) of the Front-End Commodity Swap and any Unpaid Amounts (as defined in the Front-End Commodity Swap) payable by the Issuer to Swap Counterparty upon early termination of the Front-End Commodity Swap shall be paid by wire transfer to and deposited in the Issuer Payments Account and (B) any and all amounts payable by the Issuer in accordance with Section 3(e) of this Custodial Agreement shall be paid by wire transfer to and deposited in the Issuer Payments Account. Such payments to the Issuer Payments Account shall be wired to the following account:

U.S. Bank, NA
ABA: 091000022
FBO: U.S. Bank Trust NA
Acct: 180121167365
FFC: [____]
Address: 777 E. Wisconsin Av.
Milwaukee, WI 53202-5300

Payments received by the Custodian after 3:00 p.m. New York City time will be credited to the next Business Day. For the avoidance of doubt, payments required to be made by Swap Counterparty to the Issuer pursuant to the Front-End Commodity Swap and payments required to be made by Swap Counterparty to Prepay LLC and by Prepay LLC to Swap Counterparty pursuant to the Back-End Commodity Swap are not subject to this Custodial Agreement.

(b) Amounts deposited in the Issuer Payments Account shall be held in trust for the benefit of the Issuer until applied as set forth in Section 3(c) below, and there is hereby granted to the Issuer a lien on and security interest in the Issuer Payments Account pending such application. The Custodian shall not be required to comply with any orders, demands, or other instructions from Swap Counterparty with respect to the Issuer Payments Account, including, without limitation, items presented for payment, or any order or instruction directing the disposition of funds or other assets held in or credited to the Issuer Payments Account and Swap Counterparty agrees that prior to the termination of this Custodial Agreement in accordance with the terms hereof, it shall have no right to direct the disposition of funds or other assets held in or credited to the Issuer Payments Account, or to withdraw or otherwise obtain funds or other assets held in or credited to the Issuer Payments Account, whether by order or instruction to the Custodian or otherwise, except to the extent that amounts on deposit in the Issuer Payments Account are payable to Swap Counterparty in accordance with the terms hereof and of the Front-End Commodity Swap.

(c) In accordance with this subparagraph (c), the Custodian shall withdraw amounts on deposit in the Issuer Payments Account for the purpose of paying any net amount payable to Swap Counterparty under Section 2(a)(i) of the Front-End Commodity Swap on each date on which such

amount is due under the Front-End Commodity Swap, provided that if, prior to any such date, Prepay LLC has provided written notice to the Custodian, substantially in the form attached hereto as Exhibit A, by Electronic Means (defined below) to hold such payment (a "Hold Notice"), the Custodian shall withdraw such amounts only upon confirmation by Prepay LLC to the Custodian, substantially in the form attached hereto as Exhibit B, by Electronic Means (defined below) that the amount payable by Swap Counterparty to Prepay LLC under the Back-End Commodity Swap on such date has been paid by Swap Counterparty in accordance with the terms of the Back-End Commodity Swap. Subject to Section 3(d) below in the case of any withdrawal by the Custodian from the Issuer Payments Account and payment to Prepay LLC in accordance with Section 3(d), upon confirmation by the Custodian that Prepay LLC has received such payment due from Swap Counterparty under the Back-End Commodity Swap, the Custodian (either automatically or, if a Hold Notice has been delivered, upon Custodian's receipt of confirmation by Prepay LLC in accordance with the preceding sentence) shall withdraw from the Issuer Payments Account the amount due to Swap Counterparty under the Front-End Commodity Swap on such date (or such later date upon which payment from the Issuer is received under the terms of the Front-End Commodity Swap and this Custodial Agreement) and pay such amount to Swap Counterparty by wiring funds to the following account (provided that Swap Counterparty may update such account details by written notice to the Custodian):

For the Account of: BP Energy Company
JP Morgan Chase Bank, NY
ABA: 021-000021
Acct No.: 910-2-548097
New York, NY 10081-6000

(d) Notwithstanding Section 2(a)(iii) of the Back-End Commodity Swap or the exercise by or on behalf of Prepay LLC of any right of early termination of the Back-End Commodity Swap, in the event that any amount due to Prepay LLC under Section 2(a)(i) of the Back-End Commodity Swap (including any Unpaid Amounts (as defined in the Back-End Commodity Swap) payable by Swap Counterparty under the Back-End Commodity Swap) is not paid when due and remains unpaid as of the close of business on the last day of any grace period for such payment under the terms of the Back-End Commodity Swap, the Custodian shall withdraw from the Issuer Payments Account an amount equal to the amount so due and unpaid under the Back-End Commodity Swap and pay such amount to Prepay LLC.

(e) If at any time the Front-End Commodity Swap terminates and the Issuer is unable to increase its notional quantities under another Buyer Swap (as defined in the Prepaid Agreement) to effect a replacement of the Front-End Commodity Swap, then during the period commencing on the date of such termination until the earlier of (i) the date on which both the Back-End Commodity Swap and the Front-End Commodity Swap have been replaced in accordance with Section 17.5 of the Prepaid Agreement and (ii) the occurrence of a "Commodity Delivery Termination Date" under the Prepaid Agreement (the "Issuer Payments Period"), the Issuer shall deposit any and all net payments that would have been payable by the Issuer to Swap Counterparty during the Issuer Payments Period pursuant to Section 2(a)(i) of the Front-End Commodity Swap if the Front-End Commodity Swap had not terminated (net of any payment by the Issuer of Unpaid Amounts (as defined in the Front-End Commodity Swap) in connection with early termination of the Front-End Commodity Swap). Deposits made by the Issuer to the Issuer Payments Account in accordance with this Section 3(e) shall be withdrawn by the Custodian and paid to Prepay LLC.

Section 4. Custodian. The Custodian shall have (a) no liability under any agreement other than this Custodial Agreement and (b) no duty to inquire as to the provisions of any agreement other than this Custodial Agreement, the Back-End Commodity Swap and the Front-End Commodity Swap. The Custodian may rely upon and shall not be liable for acting or refraining from acting upon any written notice, document, instruction or request furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper party or parties. The Custodian shall be under no duty to inquire into or investigate the validity, accuracy or content of any such document, notice, instruction or request. The Custodian shall have no duty to solicit any payments which may be due to it. The Custodian shall not be liable for any action taken or omitted by it in good faith except to the extent that a court of competent jurisdiction determines that the Custodian's gross negligence or willful misconduct was the primary cause of any loss to the Issuer or Swap Counterparty. In connection with the execution of any of its powers or the performance of any of its duties hereunder, the Custodian may consult with counsel, accountants and other skilled persons selected and retained by it. The Custodian shall not be liable for anything done, suffered or omitted in good faith by it in accordance with the advice or opinion of any such counsel, accountants or other skilled persons, provided the Custodian exercised due care and good faith in the selection of such person. The permissive rights of the Custodian to take actions enumerated under this Custodial Agreement shall not be construed as duties. In the event that the Custodian shall be uncertain as to its duties or rights hereunder or shall receive instructions, claims or demands from any party hereto which, in its opinion, conflict with any of the provisions of this Custodial Agreement, it shall be entitled to refrain from taking any action and its sole obligation shall be to keep safely all property held in escrow until it shall be directed otherwise in writing by all of the other parties hereto or by a final order or judgment of a court of competent jurisdiction. The Custodian may interplead all of the assets held hereunder into a court of competent jurisdiction or may seek a declaratory judgment with respect to certain circumstances, and thereafter be fully relieved from any and all liability or obligation with respect to such interpleaded assets or any action or non-action based on such declaratory judgment. Anything in this Custodial Agreement to the contrary notwithstanding, in no event shall the Custodian be liable for special, indirect, incidental or consequential damages, losses or penalties of any kind whatsoever (including but not limited to lost profits), regardless of the form of action. The Custodian may engage and act through agents and attorneys and shall not be liable for the misconduct or negligence of any such agent or attorney appointed with due care. The Custodian shall be responsible only for funds actually received by it for deposit into the Issuer Payments Account, and shall not be obliged to advance or risk its own funds to make any payments required hereunder. The Custodian shall have only those duties expressly set forth in this Custodial Agreement and no implied duties shall be read into this Custodial Agreement against the Custodian. The parties hereto acknowledge and agree that the Custodian is not a fiduciary by virtue of accepting and carrying out its obligations under this Custodial Agreement and has not accepted any fiduciary duties, responsibilities or liabilities with respect to its services hereunder. The Custodian shall not be responsible for the perfection of any security interest granted hereunder.

Section 5. Succession. The Custodian may resign and be discharged from its duties or obligations hereunder by giving not less than 30 days' advance notice in writing of such resignation to the other parties hereto specifying a date when such resignation shall take effect; and such resignation shall take effect upon the day specified in such notice unless a successor shall not have been appointed by the Issuer and Swap Counterparty on such date, in which event such resignation shall not take effect until a successor is appointed. The Issuer and Swap Counterparty shall use

their commercially reasonable efforts to make such appointment in a timely fashion, provided that any custodian appointed in succession to the Custodian shall be a bank or trust company organized under the laws of any state or a national banking association and shall have capital stock, surplus and undivided earnings aggregating at least $50,000,000 and shall be a bank with trust powers or trust company willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Custodial Agreement. Any corporation or association into which the Custodian may be merged or converted or with which it may be consolidated, or any corporation or association to which all or substantially all of the Custodian's corporate trust line of business may be transferred, shall be the Custodian under this Custodial Agreement without further act. Notwithstanding the foregoing, if no appointment of a successor Custodian shall be made pursuant to the foregoing provisions of this Section 5 within 30 days after the Custodian has given to the Issuer and Swap Counterparty written notice of its resignation as provided in this Section 5, the Custodian may, in its sole discretion, apply to any court of competent jurisdiction to appoint a successor Custodian. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Custodian.

Section 6. Fees.

(a) The Issuer agrees to (i) pay the Custodian reasonable compensation for the services to be rendered hereunder, which compensation shall be $[____] for each year that this Custodial Agreement is in effect, and (ii) pay or reimburse the Custodian upon request for all expenses, disbursements and advances, including reasonable attorney's fees and expenses, incurred or made by it in connection with the preparation, execution, performance, delivery, modification and termination of this Custodial Agreement.

(b) The Issuer agrees to (i) pay the Custodian reasonable compensation for the services to be rendered under the Custodial Agreement (the "Back-End Custodial Agreement"), dated as of the date hereof, among Prepay LLC, Swap Counterparty and Custodian, which compensation shall be $[____] for each year that the Back-End Custodial Agreement is in effect, and (ii) pay or reimburse the Custodian upon request for all expenses, disbursements and advances, including reasonable attorney's fees and expenses, incurred or made by it in connection with the preparation, execution, performance, delivery, modification and termination of the Back-End Custodial Agreement.

Section 7. Reimbursement. The Issuer and Swap Counterparty agree, jointly and severally (subject to the second proviso of this Section 7), to reimburse the Custodian and its directors, officers, agents and employees for any and all loss, liability or expense (including the fees and expenses of in-house or outside counsel and experts and their staffs and all expense of document location, duplication and shipment) arising out of or in connection with (a) its acting as the Custodian under this Custodial Agreement, except to the extent that such loss, liability or expense is finally adjudicated to have been caused primarily by the gross negligence or willful misconduct of the Custodian or such director, officer, agent or employee seeking reimbursement, or (b) its following any instructions or other directions from the Issuer or Swap Counterparty, except to the extent that its following any such instruction or direction is expressly forbidden by the terms hereof; provided, however, that any amounts due under this Section 7 shall not duplicate any other amounts due under this Custodial Agreement, including without limitation amounts due under Section 13 hereof; provided further, however, that, notwithstanding the joint and several

nature of the obligations under this Section 7, any amounts due under clause (b) of this sentence resulting from instructions or directions that are not expressly provided for in this Custodial Agreement and are given to the Custodian by only one party shall be the sole obligation of such party. The parties hereto acknowledge that this provision shall survive the resignation or removal of the Custodian or the termination of this Custodial Agreement.

Section 8. Taxpayer Identification Numbers; Tax Matters. The Issuer and Swap Counterparty each represent that its correct taxpayer identification number assigned by the Internal Revenue Service or any other taxing authority is set forth on the signature page hereof. Any tax returns or reports required to be prepared and filed in connection with the Issuer Payments Account will be prepared and filed by the Issuer, and the Custodian shall have no responsibility for the preparation and/or filing of any tax return with respect to any income earned on the Issuer Payments Account. In addition, any tax or other payments required to be made pursuant to such tax return or filing shall be paid by the Issuer. The Custodian shall have no responsibility for making such payment unless directed to do so by the appropriate authorized party.

Section 9. Notices. All communications hereunder shall be in writing and shall be deemed to be duly given and received (a) upon delivery if delivered personally or upon confirmed transmittal if by facsimile; (b) on the next Business Day if sent by overnight courier; or (c) four (4) Business Days after mailing if mailed by prepaid registered mail, return receipt requested, to the appropriate notice address for the Issuer or Swap Counterparty, as applicable, set forth in the Front-End Commodity Swap. Notices to the Custodian and the Trustee shall be provided to the following address:

U.S. Bank Trust Company, National Association
2 Concourse Parkway, Suite 800
Atlanta, Georgia 30328
Attention: Mark Hallam
Email: Mark.Hallam@usbank.com

Any party may provide a new or different address for such notices if furnished to the other parties in writing by registered mail, return receipt requested. Notwithstanding the above provisions of this Section 9, in the case of communications delivered to the Custodian pursuant to clause (b) or clause (c) of this Section 9, such communications shall be deemed to have been given on the date received by the Custodian. In the event that the Custodian, in its sole discretion, shall determine that an emergency exists, the Custodian may use such other means of communication as the Custodian deems appropriate.

Notwithstanding anything else in this Custodial Agreement to the contrary, the Custodian and Trustee shall have the right to accept and act upon instructions or directions provided by a party pursuant to this Custodial Agreement, or any other document reasonably relating to the Bonds, delivered using Electronic Means (defined below); *provided, however*, that the applicable party shall provide to a Responsible Officer of the Custodian and Trustee an incumbency certificate listing designated persons with the authority to provide such instructions (each an "Authorized Officer") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended, with written notice to a Responsible Officer of the Custodian and Trustee, whenever a person is to be added or deleted from the listing. If a party

elects to give the Custodian and Trustee directions or instructions using Electronic Means and the Custodian and Trustee in their discretion elect to act upon such directions, the Custodian and Trustee's understanding of such directions shall be deemed controlling. The party giving such instructions to the Custodian and Trustee understands and agrees that the Custodian and Trustee cannot determine the identity of the actual sender of such directions and that the Custodian and Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to a Responsible Officer of the Custodian and Trustee have been sent by such Authorized Officer. The party giving such instructions shall be solely responsible for ensuring that only Authorized Officers of the party transmit such directions to the Custodian and Trustee and that the party and all Authorized Officers treat applicable user and authorization codes, passwords and/or authentication keys as confidential and with extreme care. The Custodian and Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from their reliance upon and compliance with such instructions notwithstanding that such instructions conflict or are inconsistent with a subsequent written instruction. The party giving such instructions to the Custodian and Trustee agrees: (i) to assume all risks arising out of the use of Electronic Means to submit directions to the Custodian, including without limitation the risk of the Custodian acting on unauthorized directions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting directions to the Custodian and Trustee and that there may be more secure methods of transmitting directions; (iii) that the security procedures (if any) to be followed in connection with its transmission of directions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances and (iv) to notify the Custodian immediately upon learning of any compromise or unauthorized use of the security procedures.

As used herein, "Electronic Means" shall mean e-mail transmission or other similar electronic means of communication providing evidence of transmission, S.W.I.F.T, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys, facsimile transmission, including a telephone communication confirmed by any other method set forth in this definition, or another method or system specified by a Responsible Officer of the Custodian and Trustee as available for use in connection with the Custodian's services hereunder.

Section 10. Miscellaneous.

(a) The provisions of this Custodial Agreement may be waived, altered, amended or supplemented, in whole or in part, only by a writing signed by all of the parties hereto.

(b) Neither this Custodial Agreement nor any right or interest hereunder may be assigned in whole or in part by any party, except as provided in Section 5, without the prior written consent of the other parties.

(c) This Custodial Agreement and the rights and duties of the parties hereunder shall be governed by and construed, enforced, and performed in accordance with the laws of the State of New York, without regard to any conflicts of law principle that would direct the application of the laws another jurisdiction; provided that the authority of the Issuer to enter into and perform its

obligations under this Custodial Agreement shall be determined in accordance with the laws of the State of California.

(d) Each party hereto irrevocably waives any objection on the grounds of venue, forum non-conveniens or any similar grounds and irrevocably consents to service of process by mail or in any other manner permitted by applicable law and consents to the exclusive jurisdiction of (A) the courts of the State of New York located in the Borough of Manhattan, (B) the federal courts of the United States of America for the Southern District of New York or (C) the federal courts of the United States of America in any other state. The parties further hereby waive any right to a trial by jury with respect to any lawsuit or judicial proceeding arising or relating to this Custodial Agreement.

(e) No party to this Custodial Agreement shall be liable to any other party hereto for losses due to, or if it is unable to perform its obligations under the terms of this Custodial Agreement because of, acts of God, fire, war, terrorism, floods, strikes, electrical outages, equipment or transmission failure, or other causes reasonably beyond its control.

(f) This Custodial Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. All signatures of the parties to this Custodial Agreement may be transmitted by facsimile or by digital pdf transmission, and such facsimile or pdf will, for all purposes, be deemed to be the original signature of such party whose signature it reproduces, and will be binding upon such party.

(g) The parties acknowledge and agree that Prepay LLC shall be a third party beneficiary of this Custodial Agreement with the right to enforce the provisions hereof relating to Hold Notices.

Section 11. Compliance with Court Orders. In the event that any amount held by the Custodian hereunder shall be attached, garnished or levied upon by any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, or any order, judgment or decree shall be made or entered by any court affecting the property deposited under this Custodial Agreement, the Custodian is hereby expressly authorized, in its sole discretion, to obey and comply with all writs, orders or decrees so entered or issued, which it is advised by legal counsel of its own choosing are binding upon it, whether with or without jurisdiction, and in the event that the Custodian obeys or complies with any such writ, order or decree it shall not be liable to any of the parties hereto or to any other person, firm or corporation, by reason of such compliance notwithstanding that such writ, order or decree may be subsequently reversed, modified, annulled, set aside or vacated.

Section 12. Term; Winding Up. This Custodial Agreement will expire concurrently with the receipt of written notice from either Swap Counterparty or the Issuer, with a copy to the other party, that the Front-End Commodity Swap has terminated in accordance with its terms. Any remaining balance in the Issuer Payments Account following written confirmation from the Trustee that all required payments by Swap Counterparty to the Issuer under the Front-End Commodity Swap have been received by the Trustee shall be paid to Swap Counterparty.

Section 13. Indemnification. To the extent permitted by law, the Issuer and Swap Counterparty, jointly and severally, agree to protect, indemnify, defend and hold harmless, the Custodian, and affiliates, and each person who controls the Custodian from and against all claims, losses, liabilities, actions, suits, costs, judgments and expenses (including court costs and reasonable attorneys' fees) arising from its acting as Custodian hereunder, except for any claim, damage or loss resulting from the gross negligence or willful misconduct of the Custodian; provided, however, that any amounts due under this Section 13 shall not duplicate any other amounts due under this Custodial Agreement, including without limitation amounts due under Section 7 hereof. The obligations of this Section 13 shall survive any resignation or removal of the Custodian and the termination of this Custodial Agreement. In addition, notwithstanding anything herein to the contrary, the Custodian and the Trustee shall have all of the rights (including the indemnification rights), benefits, privileges and immunities under this Custodial Agreement as are granted to the Trustee under the Bond Indenture, all of which are incorporated, mutatis mutandis, into this Custodial Agreement.

Section 14. Limitation of Liability of the Issuer. Notwithstanding anything to the contrary in this Custodial Agreement, the liabilities of Issuer hereunder shall be limited in all respects to the Trust Estate (as defined in the Bond Indenture) and shall be subject to the priority of payment and other provisions set forth in the Bond Indenture.

Section 15. Patriot Act. The Issuer and Swap Counterparty acknowledge that the Custodian is subject to federal laws, including the Customer Identification Program ("CIP") requirements under the USA PATRIOT Act and its implementing regulations, pursuant to which the Custodian must obtain, verify and record information that allows the Custodian to identify the Issuer and the Swap Counterparty. Accordingly, prior to opening the Issuer Payments Account described in Section 3 of this Custodial Agreement, the Custodian will ask the Issuer and the Swap Counterparty to provide certain information including but not limited to name, physical address, tax identification number and other information that will help the Custodian identify and verify the Issuer and the Swap Counterparty's identities, such as organizational documents, certificate of good standing, license to do business, or other pertinent identifying information. The Issuer and the Swap Counterparty agree that the Custodian cannot open any account hereunder unless and until the Custodian verifies the Issuer and the Swap Counterparty's identities in accordance with its CIP.

Section 16. OFAC Compliance. Each of Swap Counterparty and the Issuer covenants and represents that neither they nor any of their affiliates, subsidiaries, directors or officers are the target or subject of any sanctions enforced by the US Government, (including, the Office of Foreign Assets Control of the US Department of the Treasury ("OFAC")), the United Nations Security Council, the European Union, HM Treasury, or other relevant sanctions authority (collectively "Sanctions"). Each such party covenants and represents that neither they nor any of their affiliates, subsidiaries, directors or officers will use any payments made pursuant to this Custodial Agreement (a) to fund or facilitate any activities of or business with any person who, at the time of such funding or facilitation, is the subject or target of Sanctions, (b) to fund or facilitate any activities of or business with any country or territory that is the target or subject of Sanctions or (c) in any other manner that will result in a violation of Sanctions by any person.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Custodial Agreement to be duly executed and delivered by their respective duly authorized officers as of the date first written above.

BP ENERGY COMPANY

By:_____
Name: _____
Title: _____
Taxpayer ID Number:_____

CENTRAL VALLEY ENERGY AUTHORITY

By:_____
Name: _____
Title: _____
Taxpayer ID Number:_____

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION
as Trustee and Custodian

By:_____
Name: _____
Title: _____

EXHIBIT A

[LETTERHEAD OF ARON ENERGY PREPAY 48 LLC]

[Date]

U.S. Bank Trust Company, National Association
2 Concourse Parkway, Suite 800
Atlanta, Georgia 30328
Attention: Mark Hallam
Email: Mark.Hallam@usbank.com

Re: Custodial Agreement by and among Central Valley Energy Authority ("Issuer"), BP Energy Company ("Swap Counterparty"), U.S. Bank Trust Company, National Association (the "Trustee"), and U.S. Bank Trust Company, National Association (the "Custodian") dated as of [____], 2025 (the "Custodial Agreement").

HOLD NOTICE

Pursuant to and in accordance Section 3(c) of the Custodial Agreement, the undersigned Authorized Prepay LLC Representative does hereby issue this Hold Notice to the Custodian, directing the Custodian to withdraw amounts on deposit in the Issuer Payments Account for the purpose of paying any net amount payable to Swap Counterparty under Section 2(a)(i) of the Front-End Commodity Swap on the immediately subsequent Business Day (as defined in the Indenture) to the date hereof on which such amount is due under the Front-End Commodity Swap only upon confirmation by Prepay LLC to the Custodian in accordance with Section 3(c) of the Custodial Agreement that the amount payable by Swap Counterparty to Prepay LLC under the Back-End Commodity Swap on such date has been paid by Swap Counterparty in accordance with the terms of the Back-End Commodity Swap.

Capitalized terms used herein and not otherwise defined shall have the meaning assigned in the Custodial Agreement.

ARON ENERGY PREPAY 48 LLC

By:_____
Name:_____
Title:_____

cc: Central Valley Energy Authority

EXHIBIT B

[LETTERHEAD OF ARON ENERGY PREPAY 48 LLC]

[Date]

U.S. Bank Trust Company, National Association
2 Concourse Parkway, Suite 800
Atlanta, Georgia 30328
Attention: Mark Hallam
Email: Mark.Hallam@usbank.com

Re: Custodial Agreement by and among Central Valley Energy Authority ("Issuer"), BP Energy Company ("Swap Counterparty"), U.S. Bank Trust Company, National Association (the "Trustee"), and U.S. Bank Trust Company, National Association (the "Custodian") dated as of [____], 2025 (the "Custodial Agreement").

CONFIRMATION

Pursuant to and in accordance Section 3(c) of the Custodial Agreement, the undersigned Authorized Prepay LLC Representative does hereby confirm that the full amount of the payment due from Swap Counterparty to Prepay LLC under the Back-End Commodity Swap has been received this day.

Capitalized terms used herein and not otherwise defined shall have the meaning assigned in the Custodial Agreement.

ARON ENERGY PREPAY 48 LLC

By:_____
Name:_____
Title:_____

cc: Central Valley Energy Authority

SPE MASTER CUSTODIAL AGREEMENT

This SPE Master Custodial Agreement (this "Custodial Agreement") is made and entered into as of [____], 2025, by and among Aron Energy Prepay 48 LLC, a Delaware limited liability company ("Prepay LLC"), J. Aron & Company LLC, a New York limited liability company ("J. Aron"), Central Valley Energy Authority, a joint powers authority and public entity of the State of California ("Issuer"), and The Bank of New York Mellon, a New York banking corporation, in its capacity as custodian hereunder (in such capacity, the "SPE Custodian").

RECITALS:

WHEREAS, Issuer is issuing its [Commodity Supply Revenue Bonds, Series 2025] (the "Bonds") pursuant to the Trust Indenture, dated as of [____], 2025 (the "Bond Indenture") between Issuer and U.S. Bank Trust Company, National Association, in its capacity as trustee under the Bond Indenture (the "Trustee"); and

WHEREAS, Prepay LLC and Issuer are entering into a Prepaid Commodity Sales Agreement, dated as of [____], 2025 (the "Prepaid Agreement"); and

WHEREAS, in connection with the execution of the Prepaid Agreement, Prepay LLC and J. Aron are entering into a Commodity Purchase, Sale and Service Agreement, dated as of the date hereof (the "Commodity Sale and Service Agreement"); and

WHEREAS, in connection with the execution of the Prepaid Agreement, Prepay LLC and Pacific Life Insurance Company, a stock life insurance company organized under the laws of the State of Nebraska (along with its successors and permitted assignees, "Funding Recipient"), are entering into a Non-Participating Funding Agreement, dated as of the date hereof (as may be amended, supplements, modified or otherwise replaced, the "Funding Agreement"); and

WHEREAS, BP Energy Company, a Delaware corporation ("Swap Counterparty"), and Prepay LLC are entering into a commodity price swap transaction pursuant to an ISDA Master Agreement, dated as of [____], together with the Schedule, dated as of [____], 2025, Credit Support Annex, dated as of [____], Paragraph 13 to Credit Support Annex, dated as of [____], 2025, and Confirmation, dated as of [____], 2025 (the "Back-End Commodity Swap") and payment of amounts due by Prepay LLC to Swap Counterparty under the Back-End Commodity Swap will be administered pursuant to a custodial account (the "Swap Payments Account") established under the Seller Swap Custodial Agreement (as defined in the Prepaid Agreement); and

WHEREAS, to enable Prepay LLC to perform certain of its obligations in connection with the Commodity Project, Prepay LLC and J. Aron are entering into a Subordinated Term Loan Agreement, dated as of [____], 2024 (the "J. Aron Subordinated Loan"), pursuant to which J. Aron is the lender and Prepay LLC is the borrower; and

WHEREAS, Prepay LLC, J. Aron, Issuer and the SPE Custodian propose to enter into this Custodial Agreement in order to administer payments to be (a) received by Prepay LLC under (i) the Funding Agreement, (ii) the Commodity Sale and Service Agreement, (iii) the

Prepaid Agreement, (iv) the Back-End Commodity Swap consistent with the terms of the Seller Swap Custodial Agreement (as defined in the Prepaid Agreement) and (v) the J. Aron Subordinated Loan and (b) paid by Prepay LLC under (i) the Prepaid Agreement, (ii) the Commodity Sale and Service Agreement, (iii) the Back-End Commodity Swap consistent with the terms of the Seller Swap Custodial Agreement and (iv) the J. Aron Subordinated Loan.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Defined Terms. Any capitalized term used herein and not otherwise defined herein (including in the recitals) shall have the meaning assigned to such term in the Bond Indenture. Except where expressly provided otherwise, any reference herein to any agreement or document includes all amendments, supplements or restatements to and of such agreement or document as may occur from time to time in accordance with its terms and the terms hereof, and any reference to a party to any such agreement includes all successors and assigns of such party thereunder permitted by the terms hereof and thereof.

Section 2. Appointment of SPE Custodian. Prepay LLC, J. Aron and Issuer hereby appoint The Bank of New York Mellon as SPE Custodian under this Custodial Agreement, with such rights and obligations as are specifically set forth herein. The SPE Custodian hereby accepts such appointment under the terms and conditions set forth herein.

Section 3. Payment Instructions to Custodian; Exposure Calculations. No later than the 9th day of each Month, Prepay LLC shall deliver written payment instructions to the SPE Custodian detailing the amounts owed to and to be paid by Prepay LLC under the Back-End Commodity Swap, the Prepaid Agreement, the Commodity Sale and Service Agreement, the J. Aron Subordinated Loan and the Funding Agreement for such Month and the SPE Custodian shall make any payments owed by Prepay LLC by wire transfer to the applicable accounts specified in Exhibit A hereto; provided that, if Prepay LLC fails to deliver such instructions, the SPE Custodian may request and rely upon instructions from Issuer. The parties hereto acknowledge and agree that such instructions may be provided by J. Aron as Prepay LLC's agent in the form of a consolidated statement, setting forth (i) the Buyer's Statement (as defined in the Prepaid Agreement) delivered by Issuer under the Prepaid Agreement, (ii) the Buyer's Statement (as defined in the Commodity Sale and Service Agreement), (iii) the Billing Statement (as defined in the Prepaid Agreement) delivered by Prepay LLC under the Prepaid Agreement, (iv) the Billing Statement (as defined in the Commodity Sale and Service Agreement) delivered by J. Aron under the Commodity Sale and Service Agreement, (v) Prepay LLC's settlement calculations under the Back-End Commodity Swap (vi) Prepay LLC's principal and interest payment obligations, if any, under the J. Aron Subordinated Loan, (vii) any distributions to be made to J. Aron in its capacity as the sole member of Prepay LLC and (viii) the Funding Recipient's scheduled payment obligations under the Funding Agreement; provided that, for the avoidance of doubt, the SPE Custodian shall be entitled to rely on the payment information set forth on Exhibit B and Issuer shall still have the obligation to deliver its Buyer's Statement under the Prepaid Agreement and J. Aron as Prepay LLC's agent then will reflect such amounts in a consolidated statement delivered hereunder.

(b) Prepay LLC has appointed the SPE Custodian as the Valuation Agent under and as defined in the Credit Support Annex to the Back-End Commodity Swap. The SPE Custodian hereby accepts such appointment under the terms and conditions set forth herein, and Prepay LLC agrees that it shall on a daily basis provide exposure calculations to the SPE Custodian to enable it to perform the calculations as Valuation Agent under and as defined in the Back-End Commodity Swap and subject to the terms set forth on Schedule I, which is attached hereto and made a part hereof.

Section 4. Prepay LLC Revenue Account.

(a) With respect to payments required to be made to Prepay LLC under the Funding Agreement, the Commodity Sale and Service Agreement, the Prepaid Agreement and the Back-End Commodity Swap, there is hereby established with the SPE Custodian at its offices located at 500 Ross Street, AIM 154-1275, Pittsburgh, PA 15262, a payments account designated as the "AEP48 REVENUE ACCOUNT", bearing SPE Custodian's Account No. [____] (the "Prepay LLC Revenue Account"); and (A) any and all payments payable by Funding Recipient to Prepay LLC pursuant to the Funding Agreement, (B) any and all payments payable by J. Aron to Prepay LLC pursuant to the Commodity Sale and Service Agreement, (C) any and all net payments payable by Issuer to Prepay LLC pursuant to the Prepaid Agreement; and (D) any and all net payments payable by the Swap Counterparty to Prepay LLC pursuant to the Back-End Commodity Swap shall be paid by wire transfer to and deposited in the Prepay LLC Revenue Account.

THE BANK OF NEW YORK MELLON
ABA# 021000018
ACCOUNT NUMBER: [____]
ACCOUNT NAME: AEP48 REVENUE ACCOUNT

(b) Amounts deposited in the Prepay LLC Revenue Account shall be held in trust for the benefit of Prepay LLC until applied as set forth in Section 4(c) and Section 4(d) below. The SPE Custodian shall not be required to comply with any orders, demands, or other instructions from Issuer (or the Trustee on behalf of Issuer), J. Aron or the Counterparties with respect to the Prepay LLC Revenue Account, including, without limitation, items presented for payment, or any order or instruction directing the disposition of funds or other assets held in or credited to the Prepay LLC Revenue Account, and each of the parties hereto agree that prior to the termination of this Custodial Agreement in accordance with the terms hereof, they shall have no right to direct the disposition of funds or other assets held in or credited to the Prepay LLC Revenue Account, or to withdraw or otherwise obtain funds or other assets held in or credited to the Prepay LLC Revenue Account, whether by order or instruction to the SPE Custodian or otherwise, except to the extent that amounts on deposit in the Prepay LLC Revenue Account are payable (i) to the Swap Payments Account in accordance with the terms hereof, the Seller Swap Custodial Agreement (as defined in the Prepaid Agreement) and the Back-End Commodity Swap, (ii) to Issuer in accordance with the terms hereof and of the Prepaid Agreement and (iii) to J. Aron in accordance with the terms hereof and of the Commodity Sale and Service Agreement.

(c) Subject to Section 4(d) below, the SPE Custodian shall withdraw amounts on deposit in the Prepay LLC Revenue Account on behalf of Prepay LLC and apply such amounts as follows:

(i) First: To the extent amounts are then available in the Prepay LLC Revenue Account, to each of the Swap Payments Accounts on the 24th of each Month, but if such day is not a Business Day (as defined in the Back-End Commodity Swap), the immediately preceding Business Day, in satisfaction of any net amounts owed by Prepay LLC to the Swap Counterparty under the Back-End Commodity Swap as set forth in the instructions delivered under Section 3(a).

(ii) Second: To the extent of any remaining funds then available in the Prepay LLC Revenue Account, to Issuer on the 24th of each Month, in satisfaction of any amounts owed by Prepay LLC to Issuer under the Prepaid Agreement as set forth in the instructions delivered under Section 3(a).

(iii) Third: To the extent of any remaining funds then available in the Prepay LLC Revenue Account, to J. Aron on or after the 26th of each Month, in satisfaction of any amounts owed by Prepay LLC to J. Aron under the Commodity Sale and Service Agreement as set forth in the instructions delivered under Section 3(a).

(iv) Fourth: To the extent of any remaining funds then available in the Prepay LLC Revenue Account following the application of funds pursuant to the foregoing clauses (i) - (iii) in any Month, to the Prepay LLC Capital Account.

(d) Notwithstanding the foregoing, the parties acknowledge and agree as follows:

(i) the Prepayment (as defined in the Prepaid Agreement) shall be paid by Issuer to Prepay LLC pursuant to the Prepaid Agreement on the Initial Issue Date and such amount shall be (A) paid by wire transfer to the Prepay LLC Revenue Account and (B) transferred promptly by the SPE Custodian to Funding Recipient on behalf of Prepay LLC pursuant to Prepay LLC's written instructions (which may include standing instructions) in accordance with the Funding Agreement;

(ii) any payment by Funding Recipient to Prepay LLC pursuant to [Section 4.3 (Termination for Breach by Pacific Life)] of the Funding Agreement shall be (A) paid by wire transfer to the Prepay LLC Revenue Account and (B) as directed by Prepay LLC in writing the SPE Custodian shall either:

(1) transfer such amount promptly to an account specified by the Trustee for payment of Prepay LLC's Termination Payment obligation under the Prepaid Agreement; or

(2) transfer such amount promptly to a separate account established by the SPE Custodian at such time, with such amount only to be applied upon receipt of and consistent with subsequent written instructions from Prepay LLC (I) indicating the date on which Prepay LLC owes a Termination Payment under the Prepaid Agreement and (II) providing the account specified by the Trustee for

payment of Prepay LLC's Termination Payment obligation under the Prepaid Agreement;

(iii) [any payment by J. Aron to Prepay LLC of the Termination Payment (as defined in the Prepaid Agreement) pursuant to Section 17.6(a) of the Commodity Sale and Service Agreement shall be (A) paid by wire transfer to Prepay LLC Revenue Account and (B) transferred promptly by the SPE Custodian to an account specified by the Trustee for payment of Prepay LLC's Termination Payment obligation under the Prepaid Agreement];

(iv) any payment by J. Aron to Prepay LLC with respect to a Ledger Event pursuant to Section 17.6(b) of the Commodity Sale and Service Agreement shall be (A) paid by wire transfer to the Prepay LLC Revenue Account and (B) transferred promptly by the SPE Custodian pursuant to Prepay LLC's written instructions (which may include standing instructions) to an account specified by the Trustee in satisfaction of Prepay LLC's corresponding obligation to the Issuer under Section 17.2 of the Prepaid Agreement; and

(v) any payment by J. Aron to Prepay LLC with respect to Call Receivables (as defined in the Commodity Sale and Service Agreement) pursuant to Exhibit C to the Commodity Sale and Service Agreement shall be (A) paid by wire transfer to the Prepay LLC Revenue Account and (B) transferred promptly by the SPE Custodian pursuant to Prepay LLC's written instructions (which may include standing instructions) to an account specified by the Trustee in satisfaction of Prepay LLC's corresponding obligation to Issuer under Exhibit E to the Prepaid Agreement.

Section 5. Prepay LLC Capital Account.

(a) Subject to Section 6, respect to (i) any capital contributions to Prepay LLC pursuant to its Amended and Restated Limited Liability Company Agreement, dated as of the date hereof, (ii) any loan by J. Aron to Prepay LLC pursuant to the J. Aron Subordinated Loan, and (iii) certain other amounts that may be paid to Prepay LLC, there is hereby established with the SPE Custodian at its office located at 500 Ross Street, AIM 154-1275, Pittsburgh, PA 15262, a deposit account designated as the "AEP48 CAPITAL ACCOUNT", bearing SPE Custodian's Account No. [____] (the "Prepay LLC Capital Account").

THE BANK OF NEW YORK MELLON
ABA# 021000018
ACCOUNT NUMBER: [____]
ACCOUNT NAME: AEP48 CAPITAL ACCOUNT

(b) Amounts deposited in the Prepay LLC Capital Account shall be held in trust for the benefit of Prepay LLC until (i) applied as set forth in Section 5(c) or Section 5(d) below or (ii) withdrawn by Prepay LLC as set forth in Section 5(e) below at Prepay LLC's written request; provided, however, that the SPE Custodian shall have a lien, security interest and right of set-off of the SPE Custodian against the Prepay LLC Capital Account. The SPE Custodian shall not be required to comply with any orders, demands, or other instructions from any Person other than

Prepay LLC (or J. Aron as Prepay LLC's agent), including, without limitation, items presented for payment, or any order or instruction directing the disposition of funds or other assets held in or credited to the Prepay LLC Capital Account.

(c) To the extent the SPE Custodian determines that Prepay LLC is obligated to post collateral based on the SPE Custodian's calculations as Valuation Agent under and as defined in the Credit Support Annex to the Back-End Commodity Swap, the SPE Custodian shall withdraw the required amounts from the Prepay LLC Capital Account and pay them by wire transfer to the accounts designated by the Swap Counterparty pursuant to the Back-End Commodity Swap.

(d) Following the application of any amounts pursuant to the foregoing Section 5(c), to the extent funds on deposit in the Prepay LLC Revenue Account are insufficient for Prepay LLC to make the payments specified in Section 4(c) for any given Month, the SPE Custodian shall promptly provide notice of the deficiency via e-mail to the Trustee, the applicable Swap Counterparty and each of the parties hereto and Prepay LLC hereby directs the SPE Custodian to withdraw the required amounts from the Prepay LLC Capital Account and deposit such amounts in the Prepay LLC Revenue Account.

(e) To the extent that (i) the Prepay LLC Capital Amount exceeds the greater of (a) 3% of the amount specified in Exhibit B hereto for the then-current calendar month (taking into account undrawn loans and equity commitments from the Member), or (b) $4,000,000 after the payments specified in Section 4(c) and Section 5(d), as applicable and (ii) (a) the Prepay LLC Capital Amount exceeds the Debt Service Reserve Requirement plus the Minimum Amount, or (b) a Rating Confirmation is received to permit a withdrawal from the Prepay LLC Capital Account (the lesser of the excesses determined under clauses (i) and (ii) above (or with respect to clause (ii), the amount permitted by the Rating Confirmation) being the "Maximum Withdrawal Amount"), then each Month, Prepay LLC directs the SPE Custodian to withdraw amounts on deposit in the Prepay LLC Capital Account, up to the Maximum Withdrawal Amount, to be applied as directed by Prepay LLC to the principal and interest amounts owed by Prepay LLC to J. Aron under the J. Aron Subordinated Loan or any distribution being made by Prepay LLC to J. Aron in its capacity as the sole member of Prepay LLC; provided that the SPE Custodian shall not be required to transfer any amount from the Prepay LLC Capital Account for the monthly payment of any distribution or any principal and interest on the J. Aron Subordinated Loan if the remaining balance in the Prepay LLC Capital Account following such transfer will be less than $4,000,000. Notwithstanding the foregoing, Prepay LLC hereby directs the SPE Custodian to pay the outstanding principal and interest due under the J. Aron Subordinated Loan to J. Aron (as such amounts are specified in the written payment instructions delivered by J. Aron pursuant to Section 3(a)) on the earlier of (i) the first Business Day of the Month following an Early Termination Payment Date and (ii) the Maturity Date (as defined in the J. Aron Subordinated Loan) to the extent amounts are then available in the Prepay LLC Capital Account. As used herein, the "Prepay LLC Capital Amount" means, at any time, the sum of (x) amounts then on deposit in the Prepay LLC Capital Account, plus (y) all committed amounts then available for Prepay LLC to draw under the J. Aron Subordinated Loan, as notified by Prepay LLC to the SPE Custodian from time to time.

(f) Amounts deposited in the Prepay LLC Capital Account shall, at Prepay LLC's written request and direction, be invested by the SPE Custodian in Cash Equivalents (as defined

below) as specifically directed (which may include standing instructions), subject to any investment cut-offs of any Cash Equivalent investments directed by Prepay LLC. The SPE Custodian shall have no duty to determine whether any investment or reinvestment of monies in the Prepay LLC Capital Account satisfies the criteria set out in the definition of "Cash Equivalents." The SPE Custodian shall not be liable for any loss resulting from any investment in any Cash Equivalents or the sale, disposition, redemption or liquidation of such investment or by reason of the fact that the proceeds realized in respect of such sale, disposition, redemption or liquidation were less than the amounts which might otherwise have been obtained.

(g) In the event that any Cash Equivalents are required to be liquidated in order to make any transfer, disbursement or withdrawal in accordance with this Custodial Agreement, the SPE Custodian shall comply with any written instruction from Prepay LLC with respect to the liquidation of such Cash Equivalents and shall in accordance with such written instructions, sell or otherwise liquidate into cash (without regard to maturity) such Cash Equivalents as are necessary in order to make such transfers, disbursements or withdrawals required pursuant to this Custodial Agreement. In the event any such investments are redeemed prior to the maturity thereof, the SPE Custodian shall not be liable for any loss or penalties relating thereto.

As used herein, "Cash Equivalents" means, at any time:

(i) any direct obligation of (or any obligation that is unconditionally guaranteed by) the United States (or any agency or political subdivision thereof, to the extent such obligations are supported by the full faith and credit of the United States) maturing not more than two years from the date of acquisition thereof;

(ii) any certificate of deposit, time deposit, or banker's acceptance, maturing not more than one year after its date of acquisition, or any demand deposit account which, in any case, is issued by or established at any bank or trust company organized under the laws of the United States (or any state thereof) and any country that is a member of the Organization for Economic Cooperation and Development or any political subdivision thereof, and which: (A) has: (I) a long term debt credit rating of A2 or higher from Moody's or A or higher from S&P (or, if at any time neither S&P nor Moody's is rating such obligations, an equivalent rating from another nationally recognized rating service); or (II) a combined capital and surplus greater than $250,000,000; or (B) is the SPE Custodian;

(iii) money market funds that: (A) comply with the criteria set forth in Rule 2a-7 under the Investment Company Act of 1940; (B) are rated A or higher by S&P and A2 or higher by Moody's; or (C) have a combined capital and surplus of at least $500,000,000;

(iv) demand deposits, including interest bearing money market accounts, time deposits, overnight bank deposits, interest-bearing deposits, and certificates of deposit or banker's acceptances of depository institutions rated in

the AA/Aa2 long-term ratings category or higher by S&P or Moody's or which are fully FDIC-insured; or

(v) cash.

Section 6. Prepay LLC Put Receivables Account.

(a) With respect to the first $[____] received in the aggregate in respect of (i) any capital contributions to Prepay LLC pursuant to its Amended and Restated Limited Liability Company Agreement, dated as of the date hereof, (ii) any loan by J. Aron to Prepay LLC pursuant to the J. Aron Subordinated Loans, and (iii) certain other amounts that may be paid to Prepay LLC, there is hereby established with the SPE Custodian at its office located at 500 Ross Street, AIM 154-1275, Pittsburgh, PA 15262, a deposit account designated as the "AEP48 PUT RECEIVABLES ACCOUNT", bearing SPE Custodian's Account No. [____] (the "Prepay LLC Put Receivables Account").

THE BANK OF NEW YORK MELLON
ABA# 021000018
ACCOUNT NUMBER: [____]
ACCOUNT NAME: AEP48 PUT RECEIVABLES ACCOUNT

(b) Amounts deposited in the Prepay LLC Put Receivables Account shall be held in trust for the benefit of Prepay LLC until applied as set forth in Section 6(c) below. Except for the rights expressly granted to the Issuer (or the Trustee on behalf of Issuer) in Section 6(c) below and the rights expressly granted to Prepay LLC as set forth in Section 6(d) below, (i) the SPE Custodian shall not be required to comply with any orders, demands, or other instructions from Issuer (or the Trustee on behalf of Issuer), J. Aron or the Swap Counterparty with respect to the Prepay LLC Put Receivables Account, including, without limitation, items presented for payment, or any order or instruction directing the disposition of funds or other assets held in or credited to the Prepay LLC Revenue Account, and (ii) each of the parties hereto agree that prior to the termination of this Custodial Agreement in accordance with the terms hereof, they shall have no right to direct the disposition of funds or other assets held in or credited to the Prepay LLC Put Receivables Account, or to withdraw or otherwise obtain funds or other assets held in or credited to the Prepay LLC Put Receivables Account, whether by order or instruction to the SPE Custodian or otherwise, except to the extent that amounts on deposit in the Prepay LLC Put Receivables Account are (x) payable to the Issuer in accordance with Section 2.1 of Exhibit E to the Prepaid Agreement in respect of Put Receivables and Section 6(c) below, or (y) withdrawn by Prepay LLC pursuant to Section 6(d) below.

(c) Upon receipt of a Put Option Notice (substantially in the form attached hereto as Exhibit C) from the Trustee indicating that amounts are due from Prepay LLC under the Prepaid Agreement in respect of Put Receivables (as defined in the Prepaid Agreement), the SPE Custodian shall withdraw the required amounts from the Prepay LLC Put Receivables Account and promptly pay such amounts by wire transfer to the account specified by the Trustee in such notice for payment of such amounts due under the Prepaid Agreement.

(d) Upon receiving notice from Prepay LLC substantially in the form attached hereto as Exhibit D that either the Early Termination Payment Date or the Final Maturity Date (each as defined in the Bond Indenture) has occurred, and that no further payments are due under the Prepaid Agreement in respect of Put Receivables, the SPE Custodian shall transfer all amounts remaining in the Prepay LLC Put Receivables Account promptly to the Prepay LLC Capital Account.

(e) Amounts deposited in the Prepay LLC Put Receivables Account shall, at the Issuer's written request and direction, be invested by the SPE Custodian in Qualified Investments (as defined in the Indenture) as specifically directed (which may include standing instructions), which Qualified Investments (i) must mature or be payable not later than such times as shall be necessary to provide moneys when needed for payments to be made from the Prepay LLC Put Receivables Account and (ii) shall be subject to any additional investment cut-offs as directed by the Issuer. The SPE Custodian shall have no duty to determine whether any investment or reinvestment of monies in the Prepay LLC Put Receivables Account satisfies the criteria set out in the definition of "Qualified Investments." The SPE Custodian shall not be liable for any loss resulting from any investment in any Qualified Investments or the sale, disposition, redemption or liquidation of such investment or by reason of the fact that the proceeds realized in respect of such sale, disposition, redemption or liquidation were less than the amounts which might otherwise have been obtained.

(f) In the event that any Qualified Investments are required to be liquidated in order to make any transfer, disbursement or withdrawal in accordance with this Custodial Agreement, the SPE Custodian shall comply with any written instructions from Prepay LLC with respect to the liquidation of such Qualified Investments and in accordance with such written instructions, sell or otherwise liquidate into cash (without regard to maturity) such Qualified Investments as are necessary in order to make such transfers, disbursements or withdrawals required pursuant to this Custodial Agreement. In the event any such investments are redeemed prior to the maturity thereof, the SPE Custodian shall not be liable for any loss or penalties relating thereto.

Section 7. SPE Custodian.

(a) The SPE Custodian shall have (i) no liability under any agreement other than this Custodial Agreement and (ii) no duty to inquire as to the provisions of any agreement other than this Custodial Agreement, the Funding Agreement, the Prepaid Agreement, the Commodity Sale and Service Agreement, the J. Aron Subordinated Loan and the Back-End Commodity Swap; provided, however, that the SPE Custodian shall have no duties or responsibilities whatsoever except such duties and responsibilities as are specifically set forth in this Agreement. The SPE Custodian may rely upon and shall not be liable for acting or refraining from acting upon any written notice, document, instruction or request furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper party or parties. The SPE Custodian shall be under no duty to inquire into or investigate the validity, accuracy or content of any such document, notice, instruction or request. The SPE Custodian shall have no duty to solicit any payments which may be due it. The SPE Custodian (in its capacity as SPE Custodian and Valuation Agent) shall not be liable for any action taken or omitted by it in good faith except to the extent that a court of competent jurisdiction determines that the SPE Custodian's gross negligence or willful misconduct was the primary cause of any loss to any party hereto. In

connection with the execution of any of its powers or the performance of any of its duties hereunder, the SPE Custodian may consult with counsel, accountants and other skilled Persons selected and retained by it. The SPE Custodian shall not be liable for anything done, suffered or omitted in good faith by it in accordance with the advice or opinion of any such counsel, accountants or other skilled Persons, provided the SPE Custodian exercised due care and good faith in the selection of such Person. The permissive rights of the SPE Custodian to take actions enumerated under this Custodial Agreement shall not be construed as duties. Notwithstanding anything to the contrary in this Custodial Agreement, the Funding Agreement, the Prepaid Agreement, the Commodity Sale and Service Agreement, the J. Aron Subordinated Loan and the Back-End Commodity Swap, the SPE Custodian shall not be required to exercise any rights or remedies under this Custodial Agreement or otherwise take any action or refrain from taking any action unless it shall have been directed to do so in a writing by Prepay LLC, Issuer or the Trustee which is authorized or permitted to be given under this Custodial Agreement. So long as the SPE Custodian has requested instructions from one or more of Prepay LLC, Issuer or the Trustee in a timely manner regarding a matter or determination for which such party has the right provide instructions hereunder, the SPE Custodian shall not be liable for any delay in acting that is attributable to a delay or failure by Prepay LLC, Issuer or the Trustee in providing such instructions to the SPE Custodian, and the SPE Custodian shall be fully protected, and shall incur no liability whatsoever to Prepay LLC, Issuer, the Trustee, the Swap Counterparty or any other Person in connection with, in acting (or failing to act) pursuant to such instructions, provided that such instructions (i) are reasonably believed to have been given by an Authorized Officer and (ii) are authorized or permitted to be given under this Custodial Agreement. In the event that the SPE Custodian shall be uncertain as to its duties or rights hereunder or shall receive instructions, claims or demands from any party hereto which, in its opinion, conflict with any of the provisions of this Custodial Agreement, it shall be entitled to refrain from taking any action and its sole obligation shall be to keep safely all property held in escrow until it shall be directed otherwise in writing by all of the other parties hereto or by a final order or judgment of a court of competent jurisdiction. The SPE Custodian may interplead all of the assets held hereunder into a court of competent jurisdiction or may seek a declaratory judgment with respect to certain circumstances, and thereafter be fully relieved from any and all liability or obligation with respect to such interpleaded assets or any action or non-action based on such declaratory judgment. Anything in this Custodial Agreement to the contrary notwithstanding, in no event shall the SPE Custodian be liable for special, indirect, incidental or consequential damages, losses or penalties of any kind whatsoever (including but not limited to lost profits), regardless of the form of action.

(b) The parties hereto acknowledge and agree that the SPE Custodian is not a fiduciary by virtue of accepting and carrying out its obligations under this Custodial Agreement and has not accepted any fiduciary duties, responsibilities or liabilities with respect to its services hereunder. The SPE Custodian shall not be required to risk or expend its own funds in performing its obligations under this Custodial Agreement. If and to the extent that Prepay LLC instructs the SPE Custodian to settle transactions in the Prepay LLC Revenue Account, Prepay LLC (i) shall cause all such transactions to be fully funded by depositing with the SPE Custodian sufficient immediately available funds (provided that this requirement shall be satisfied if sufficient funds are available in the Prepay LLC Capital Account for transfer to the Prepay LLC Revenue Account consistent with Section 5(d) of this Custodial Agreement), (ii) shall not rely on the SPE Custodian to extend credit in order to settle any such transaction, and (iii) acknowledges

that any transactions not fully funded by Prepay LLC may fail to settle. Subject to the requirements of Section 5(d) of this Custodial Agreement, if the SPE Custodian, in its sole discretion, permits an overdraft in the Prepay LLC Revenue Account or if Prepay LLC is for any other reason indebted to the SPE Custodian, Prepay LLC shall immediately deliver for credit to the Prepay LLC Revenue Account sufficient cash to eliminate such debit balance, plus accrued interest at a rate then charged by the SPE Custodian to its institutional custody clients in the relevant currency, which rate shall be supplied by the SPE Custodian to Prepay LLC from time to time.

Section 8. Removal, Resignation and Succession.

(a) The SPE Custodian may be removed with 30 days' prior written notice by Prepay LLC, with a copy to each of the other parties hereto. Notwithstanding the foregoing, any such removal of the SPE Custodian shall not be effective until a successor SPE Custodian has been appointed pursuant to this Section 8. The SPE Custodian's rights under this Custodial Agreement to indemnity and any amounts due and payable to the SPE Custodian shall survive any such removal.

(b) The SPE Custodian may resign and be discharged from its duties or obligations hereunder by giving not less than 30 days' advance notice in writing of such resignation to the other parties hereto specifying a date when such resignation shall take effect; and such resignation shall take effect upon the day specified in such notice unless a successor has not been appointed by the other parties to this Custodial Agreement on such date, in which event such resignation shall not take effect until a successor is appointed.

(c) In case at any time the SPE Custodian shall resign or shall be removed or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or if a receiver, liquidator or conservator of the SPE Custodian, or of its property, shall be appointed, or if any public officer shall take charge or control of the SPE Custodian, or of its property or affairs, Prepay LLC, Issuer and J. Aron shall use their commercially reasonable efforts to appoint a successor custodian in a timely fashion, provided that any custodian appointed in succession to the SPE Custodian shall be a bank or trust company organized under the laws of any state or a national banking association and shall have capital stock, surplus and undivided earnings aggregating at least $50,000,000 and shall be a bank with trust powers or a trust company willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Custodial Agreement. Any corporation or association into which the SPE Custodian may be merged or converted or with which it may be consolidated, or any corporation or association to which all or substantially all of the SPE Custodian's corporate trust line of business may be transferred, shall be the SPE Custodian under this Custodial Agreement without further act. Notwithstanding the foregoing, if no appointment of a successor SPE Custodian shall be made pursuant to the foregoing provisions of this Section 8 within 30 days after (i) Prepay LLC has given notice to the SPE Custodian and the other parties hereto of the SPE Custodian's removal as provided in this Section 8 or (ii) the SPE Custodian has given to the other parties hereto written notice of its resignation as provided in this Section 8, the SPE Custodian may apply to any court of competent jurisdiction to appoint a successor SPE

Custodian. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor SPE Custodian.

Section 9. Fees. J. Aron, as the sole member of Prepay LLC, agrees to pay the SPE Custodian reasonable compensation for the services to be rendered hereunder, which compensation shall be $32,500.00 for each year that this Custodial Agreement is in effect and shall be invoiced annually. The initial fee shall be calculated on a pro rata basis and shall be invoiced on [May 1], 2025, and thereafter, on [May 1] of each subsequent year. J. Aron further agrees to pay or reimburse the SPE Custodian upon request for all expenses, disbursements and advances, including reasonable attorney's fees and expenses, incurred or made by it in connection with the preparation, execution, performance, delivery, modification and termination of this Custodial Agreement.

Section 10. Reimbursement. Prepay LLC agrees to reimburse the SPE Custodian and its directors, officers, agents and employees for any and all loss, liability or expense (including the fees and expenses of in-house or outside counsel and experts and their staffs and all expense of document location, duplication and shipment) arising out of or in connection with (a) its acting as the SPE Custodian under this Custodial Agreement, except to the extent that such loss, liability or expense is finally adjudicated to have been caused primarily by the gross negligence or willful misconduct of the SPE Custodian or such director, officer, agent or employee seeking reimbursement, or (b) its following any instructions or other directions from Prepay LLC, except to the extent that such instruction or direction is not authorized or permitted to be given under this Custodial Agreement; provided, however, that any amounts due under this Section 10 shall not duplicate any other amounts due under this Custodial Agreement, including without limitation amounts due under Section 17 hereof. The parties hereto acknowledge that this provision shall survive the resignation or removal of the SPE Custodian or the termination of this Custodial Agreement.

Section 11. Taxpayer Identification Numbers; Tax Matters. Prepay LLC represents that its correct taxpayer identification number assigned by the Internal Revenue Service or any other taxing authority is set forth on the signature page hereof. Any tax returns or reports required to be prepared and filed in connection with the Prepay LLC Revenue Account and the Prepay LLC Capital Account will be prepared and filed by Prepay LLC and the SPE Custodian shall have no responsibility for the preparation and/or filing of any tax return with respect to any income earned on the Prepay LLC Revenue Account and the Prepay LLC Capital Account. In addition, any tax or other payments required to be made pursuant to such tax return or filing shall be paid by Prepay LLC. The SPE Custodian shall have no responsibility for making such payment unless directed to do so by the appropriate authorized party.

Section 12. Notices. All communications hereunder shall be in writing and shall be deemed to be duly given and received (a) upon delivery if delivered personally or upon confirmed transmittal if by facsimile; (b) on the next Business Day if sent by overnight courier; or (c) four Business Days after mailing if mailed by prepaid registered mail, return receipt requested, to the appropriate notice address for each of the parties set forth in Exhibit A.

Any party may provide a new or different address for such notices or its wire instructions set forth in Exhibit A if furnished to the other parties in writing by registered mail, return receipt

requested, provided furthermore that Prepay LLC may provide updated wire instructions pursuant to the foregoing for any of its contractual counterparties who are not party to this Agreement. Notwithstanding the above provisions of this Section 12, (i) in the case of communications delivered to the SPE Custodian pursuant to clause (b) or clause (c) of this Section 12 above, such communications shall be deemed to have been given on the date received by the SPE Custodian and (ii) in the case of the notifications required pursuant to Section 3(b), such notices may be given by e-mail to an e-mail address provided by the Funding Recipient to the SPE Custodian from time to time. In the event that the SPE Custodian, in its sole discretion, shall determine that an emergency exists, the SPE Custodian may use such other means of communication as the SPE Custodian deems appropriate.

Notwithstanding anything else in this Custodial Agreement to the contrary, the SPE Custodian shall have the right to accept and act upon instructions or directions provided by a party pursuant to this Custodial Agreement or by the Trustee, or any other document reasonably relating to the Bonds, if delivered using Electronic Means (as defined below); provided, however, that the applicable party shall provide to a Responsible Officer of the SPE Custodian an incumbency certificate listing designated individuals with the authority to provide such instructions (each an "Authorized Officer") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended, with written notice to a Responsible Officer of the SPE Custodian, whenever an individual is to be added or deleted from the listing. If a party elects to give the SPE Custodian directions or instructions using Electronic Means and the SPE Custodian in its discretion elects to act upon such directions, the SPE Custodian's understanding of such directions shall be deemed controlling. The party giving such instructions to the SPE Custodian understands and agrees that the SPE Custodian cannot determine the identity of the actual sender of such directions and that the SPE Custodian may conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to a Responsible Officer of the SPE Custodian have been sent by such Authorized Officer. The party giving such instructions shall be solely responsible for ensuring that only Authorized Officers of such party transmit such directions to the SPE Custodian and that the party and all Authorized Officers treat applicable user and authorization codes, passwords and/or authentication keys as confidential and with extreme care. The SPE Custodian shall not be liable for any losses, costs or expenses arising directly or indirectly from its reliance upon and compliance with such instructions notwithstanding that such instructions conflict or are inconsistent with a subsequent written instruction. The party giving such instructions to the SPE Custodian agrees: (i) to assume all risks arising out of the use of Electronic Means (as defined below) to submit directions to the SPE Custodian, including without limitation the risk of the SPE Custodian acting on unauthorized directions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting directions to the SPE Custodian and that there may be more secure methods of transmitting directions; (iii) that the security procedures (if any) to be followed in connection with its transmission of directions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances, (iv) to notify the SPE Custodian immediately upon learning of any compromise or unauthorized use of the security procedures; and (v) to indemnify and hold harmless the SPE Custodian against any and all claims, losses, damages, liabilities, judgments, costs and expenses (including reasonable attorneys' fees) incurred or sustained by the SPE Custodian as a result of or in connection with the SPE Custodian's reliance upon and compliance with instructions or

directions given by Electronic Means (as defined below), except for any claim, damage or loss resulting from the gross negligence or willful misconduct of the SPE Custodian (provided that, for the avoidance of doubt, any amounts due under clause (v) of this Section 12 above shall not duplicate any other amounts due under this Custodial Agreement, including without limitation amounts due under Section 10 or Section 17 hereof).

As used herein, "Electronic Means" shall mean instructions sent by S.W.I.F.T, e-mail, facsimile and other similar secure electronic transmission platform containing applicable authorization codes, passwords and/or authentication keys issued by the SPE Custodian ("Secure Platform") or another method or system specified by a Responsible Officer of the SPE Custodian as available for use in connection with the SPE Custodian's services hereunder. Access to and use of the SPE Custodian's systems shall be subject to the terms and conditions contained in a separate written agreement. Prepay LLC, J. Aron and the Issuer shall be responsible for requesting access to any such system of the SPE Custodian and completing the documentation required for such access and nothing herein shall obligate the SPE Custodian to ensure any such access and the SPE Custodian shall have no responsibility or liability should such parties fail to, or elect not to, avail itself of such access. If the parties elect to use an on-line communications system owned or operated by a third party, the SPE Custodian shall have no responsibility or liability for the reliability or availability of any such service. All funds transfer instructions shall be sent utilizing a Secure Platform unless otherwise agreed by the SPE Custodian. When instructed to credit or pay a party by both name and a unique numeric or alpha-numeric identifier (e.g. ABA number or account number), the SPE Custodian, and any other bank participating in the funds transfer, may rely solely on the unique identifier, even if it identifies a party different than the party named. This applies to beneficiaries as well as any intermediary bank. The parties hereto agree to be bound by the rules of any funds transfer network used in connection with any payment order accepted by the SPE Custodian hereunder.

To the extent that any Cash Equivalents in which cash may be invested pursuant to Section 5(f) affords to the owner thereof the ability to exercise any rights or discretionary actions, the SPE Custodian agrees, as promptly as practicable under the circumstances, to notify Prepay LLC thereof, provided that the SPE Custodian, in its capacity as custodian of such Cash Equivalents, has actually received notice of such right or discretionary action from the relevant issuer, transfer agent or depository. Without actual receipt of such notice by the SPE Custodian, the SPE Custodian shall have no liability for failing to so notify Prepay LLC. Prepay LLC or its designee shall be solely responsible for making any decisions relating thereto and for directing Custodian to act. In order for the SPE Custodian to act, it must receive Prepay LLC's Corporate Action Instructions (defined below) by such time as the SPE Custodian shall advise Prepay LLC or its designee. If Custodian does not receive such Corporate Action Instructions by such deadline, the SPE Custodian shall not be liable for failure to take any action relating to or to exercise any rights conferred by such Cash Equivalents. For the avoidance of doubt, any instruction given to the SPE Custodian relating to the exercise of rights or discretionary actions pursuant to this paragraph, must be given exclusively by Corporate Action Instructions.

As used herein "Corporate Action Instructions" shall mean instructions delivered to SPE Custodian by Electronic Means, other than e-mail. Corporate Action Instructions sent by facsimile shall be sent to the following number 844-299-3627 (which such number may be changed from time to time as the SPE Custodian may designate in writing).

Section 13. Miscellaneous.

(a) The provisions of this Custodial Agreement may be waived, altered, amended or supplemented, in whole or in part, only by a writing signed by all of the parties hereto.

(b) Neither this Custodial Agreement nor any right or interest hereunder may be assigned in whole or in part by any party, except as provided in Section 8, without the prior consent of the other parties; provided that, notwithstanding the foregoing, the parties acknowledge and agree that Prepay LLC shall assign all of its right, title and interest in, to and under this Agreement in connection with any assignment by Prepay LLC of its right, title and interest in, to and under the Prepaid Agreement consistent with the terms thereof to the same assignee, which assignment shall constitute a novation and shall not require the consent of the other parties hereto. It is acknowledged and agreed that the SPE Custodian may require any assignee to furnish to the SPE Custodian certain requested information to allow the SPE Custodian to complete its "Know Your Customer" procedures and such assignment is subject to the satisfactory completion by the SPE Custodian of its applicable customer identification procedures as in effect from time to time.

(c) This Custodial Agreement and the rights and duties of the parties hereunder shall be governed by and construed, enforced, and performed in accordance with the laws of the State of New York, without regard to any conflicts of law principle that would direct the application of the laws of another jurisdiction, provided that the authority of the Issuer to enter into and perform its obligations under this Custodial Agreement shall be determined in accordance with the laws of the State of California.

(d) Each party hereto irrevocably waives any objection on the grounds of venue, forum non-conveniens or any similar grounds and irrevocably consents to service of process by mail or in any other manner permitted by applicable law and consents to the exclusive jurisdiction of (A) the courts of the State of New York located in the Borough of Manhattan, (B) the federal courts of the United States of America for the Southern District of New York or (C) the federal courts of the United States of America in any other state. To the extent permitted by law, the parties further hereby waive any right to a trial by jury with respect to any lawsuit or judicial proceeding arising or relating to this Custodial Agreement.

(e) No party to this Agreement shall be liable to any other party hereto for losses due to, or if it is unable to perform its obligations under the terms of this Agreement because of, strikes, work stoppages, acts of war or terrorism, insurrection, revolution, epidemics, pandemics, nuclear or natural catastrophes or acts of God, or interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services, or other causes reasonably beyond its control; provided that a party affected by any such event shall exercise commercially reasonable efforts to resume performance as quickly as possible.

(f) This Custodial Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. All signatures of the parties to this Custodial Agreement may be transmitted by facsimile or by digital pdf transmission, and such facsimile or pdf will, for all purposes, be

deemed to be the original signature of such party whose signature it reproduces, and will be binding upon such party.

(g) The Bank of New York Mellon Corporation is a global financial organization that operates in and provides services and products to clients through its affiliates and subsidiaries located in multiple jurisdictions (the "BNY Mellon Group"). The BNY Mellon Group may (i) centralize in one or more affiliates and subsidiaries certain activities (the "Centralized Functions"), including audit, accounting, administration, risk management, legal, compliance, sales, product communication, relationship management, and the compilation and analysis of information and data regarding Prepay LLC (which, for purposes of this provision, includes the name and business contact information for Prepay LLC's employees and representatives) and the accounts established pursuant to this Custodial Agreement (the "Customer Information") and (ii) use third party service providers to store, maintain and process the Customer Information ("Outsourced Functions"). Notwithstanding anything to the contrary contained elsewhere in this Custodial Agreement and solely in connection with the Centralized Functions and/or Outsourced Functions, Prepay LLC consents to the disclosure of, and authorizes the SPE Custodian to disclose, the Customer Information to (i) other members of the BNY Mellon Group (and their respective officers, directors and employees) and to (ii) third-party service providers (but solely in connection with Outsourced Functions), in each case, who are required to maintain the confidentiality of the Customer Information. In addition, the BNY Mellon Group may aggregate information regarding Prepay LLC and its accounts ("Customer-Related Data") with other data collected and/or calculated by the BNY Mellon Group (the "Aggregated Data"). The BNY Mellon Group will own all such Aggregated Data, provided that the Aggregated Data shall not identify, in any way, Prepay LLC or any of its assets, financial or trading information, or other proprietary information, and the BNY Mellon Group agrees that it shall not distribute the Aggregated Data in a format that identifies Customer-Related Data (whether separately or with Aggregated Data) with Prepay LLC. Prepay LLC represents that it is authorized to consent to the foregoing and that the disclosure of the Customer Information in connection with the Centralized Functions and/or Outsourced Functions does not violate any relevant data protection legislation. Prepay LLC also consents to the disclosure of the Customer Information to the extent required by law.

(h) Exhibit B sets forth the prepayment balance for each Month during the initial Interest Rate Period. In connection with the establishment of successive Interest Rate Periods, Prepay LLC shall prepare and deliver to the other parties no later than the last day of the then-current Interest Rate Period an updated Exhibit B setting forth the prepayment balance for each Month of such successive Interest Rate Period, in which case such updated Exhibit B will be effective as of the first day of the next Interest Rate Period.

Section 14. Compliance with Court Orders. In the event that any amount held by the SPE Custodian under this Custodial Agreement shall be attached, garnished or levied upon by any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, or any order, judgment or decree shall be made or entered by any court affecting the property deposited under this Custodial Agreement, the SPE Custodian is hereby expressly authorized, in its sole discretion, to obey and comply with all writs, orders or decrees so entered or issued, which it is advised by legal counsel of its own choosing are binding upon it, whether with or without jurisdiction, and in the event that the SPE Custodian obeys or complies with any such writ, order

or decree it shall not be liable to any of the parties hereto or to any other person, firm or corporation by reason of such compliance, notwithstanding that such writ, order or decree may be subsequently reversed, modified, annulled, set aside or vacated.

Section 15. Term; Winding Up. This Custodial Agreement shall expire concurrently with the receipt of written notice from J. Aron, with a copy to the other parties, that either (a) the Prepaid Agreement, the Commodity Sale and Service Agreement and the Back-End Commodity Swap have each been performed in accordance with their terms and there are no remaining obligations with respect thereto or (b) the Prepaid Agreement, the Commodity Sale and Service Agreement and the Back-End Commodity Swap have each been terminated and any claims relating thereto have been resolved. Any remaining balance in the Prepay LLC Revenue Account or the Prepay LLC Capital Account shall be paid to an account specified by J. Aron as the sole member of Prepay LLC following written confirmation (i) from the Trustee that (A) all required payments to the Swap Counterparty under the Back-End Commodity Swap has been paid to the Swap Payments Account and (B) all required payments to Issuer under the Prepaid Agreement, and (ii) from J. Aron that all required payments to J. Aron under the Commodity Sale and Service Agreement have been paid.

Section 16. Third Party Beneficiaries. The Swap Counterparty shall be a third party beneficiary of this Custodial Agreement with the right to enforce the provisions hereof relating to payments to the Swap Payments Account. Except as provided in the immediately preceding sentence, it is specifically agreed that there are no other third-party beneficiaries of this Custodial Agreement and that this Custodial Agreement shall not impart any rights enforceable by any other Person not a party to this Custodial Agreement.

Section 17. Indemnification. Prepay LLC agrees to protect, indemnify, defend and hold harmless the SPE Custodian (in its capacity as SPE Custodian and Valuation Agent hereunder) and its affiliates, and each Person who controls the SPE Custodian, from and against all claims, losses, liabilities, actions, suits, costs, judgments and expenses (including court costs and reasonable attorneys' fees) arising from its acting as SPE Custodian and Valuation Agent hereunder, except for any claim, damage or loss resulting from the gross negligence or willful misconduct of the SPE Custodian; provided, however, that any amounts due under this Section 17 shall not duplicate any other amounts due under this Custodial Agreement, including without limitation amounts due under Section 10 hereof. The obligations of this Section 17 shall survive any resignation or removal of the SPE Custodian and the termination of this Custodial Agreement. Prepay LLC hereby grants the SPE Custodian a lien, right of set-off, and security interest in the Prepay LLC Capital Account for the payment of any claim by the SPE Custodian for compensation, reimbursement or indemnity under this Custodial Agreement. In this regard, the SPE Custodian shall be entitled to all the rights and remedies of a pledgee and secured creditor under applicable laws, rules or regulations as then in effect.

Section 18. USA PATRIOT Act. The parties acknowledge that the SPE Custodian is subject to federal laws, including the Customer Identification Program ("CIP") requirements under the USA PATRIOT Act and its implementing regulations, pursuant to which the SPE Custodian must obtain, verify and record information that allows the SPE Custodian to identify Prepay LLC. Accordingly, prior to opening the Prepay LLC Revenue Account described in Section 4 of this Custodial Agreement, the SPE Custodian will ask Prepay LLC to provide

certain information, including but not limited to name, physical address, tax identification number and other information that will help the SPE Custodian identify and verify Prepay LLC's identity, such as organizational documents, certificate of good standing, license to do business, or other pertinent identifying information. Prepay LLC agrees that the SPE Custodian cannot open any account under this Custodial Agreement unless and until the SPE Custodian verifies Prepay LLC's identity in accordance with its CIP.

Section 19. Agents.

(a) Pursuant to the terms of the Bond Indenture, Issuer has irrevocably appointed the Trustee as its agent to issue notices and, as directed under the Bond Indenture, to take any other actions that Issuer is required or permitted to take under this Custodial Agreement. The SPE Custodian may rely on notices or other actions taken by Issuer or the Trustee.

(b) Pursuant to the terms of the Commodity Sale and Service Agreement, Prepay LLC has irrevocably appointed J. Aron as its agent to issue notices and to take any other actions that Prepay LLC is required or permitted to take under this Custodial Agreement. The SPE Custodian may rely on notices or other actions taken by Prepay LLC or J. Aron.

Section 19. Special Resolution Regime.

(a) In the event the SPE Custodian, Prepay LLC or J. Aron (each, a "Covered Entity") becomes subject to a proceeding under a U.S. special resolution regime, the transfer of this Custodial Agreement (and any interest and obligation in or under, and any property securing, this Custodial Agreement) from such Covered Entity will be effective to the same extent as the transfer would be effective under the U.S. special resolution regime if this Custodial Agreement (and any interest and obligation in or under, and any property securing, this Custodial Agreement) were governed by the laws of the United States or a state of the United States.

(b) In the event any Covered Entity or any of its affiliates becomes subject to a proceeding under a U.S. special resolution regime, default rights with respect to this Custodial Agreement that may be exercised against such Covered Entity are permitted to be exercised to no greater extent than the default rights could be exercised under the U.S. special resolution regime if this Custodial Agreement were governed by the laws of the United States or a state of the United States.

(c) For the avoidance of doubt, except as expressly provided above, the foregoing does not in any way modify, affect or amend the duties, rights and obligations of any of the parties under this Custodial Agreement.

Section 20. Sanctions.

(a) Throughout the term of this Agreement, J. Aron (on behalf of itself and Prepay LLC): (i) will have in place and will implement policies and procedures designed to prevent violations of Sanctions (defined below), including measures to accomplish effective and timely scanning of all relevant data with respect to its clients and with respect to incoming or outgoing assets or transactions relating to this Agreement; (ii) shall exercise commercially reasonable

efforts to ensure that neither it nor any of its affiliates, directors, officers, employees is an individual or entity that is, or is owned or controlled by an individual or entity that is: (A) the target of Sanctions; or (B) located, organized or resident in a country or territory that is, or whose government is, the target of Sanctions.

(b) J. Aron and Prepay LLC shall not, directly or indirectly, use the services and/or the Prepay LLC Revenue Account or the Prepay LLC Capital Account in any manner that would result in its violation of Sanctions.

(c) Prepay LLC and J. Aron will promptly provide to the SPE Custodian such information as the SPE Custodian reasonably requests in connection with the matters referenced in this Section, including information regarding Prepay LLC and J. Aron and the Prepay LLC Revenue Account and the Prepay LLC Capital Account and the cash or Cash Equivalents held, therein in relation to which services are to be provided hereunder and the source thereof, and the identity of any individual or entity having or claiming an interest therein. The SPE Custodian may decline to act or provide services in respect of an account, and take such other actions as it, in its reasonable discretion, deems necessary or advisable, in connection with the matters referenced in this Section. If the SPE Custodian declines to act or provide services as provided in the preceding sentence, except as otherwise prohibited by applicable law or official request, the Custodian will inform the other parties hereto as soon as reasonably practicable.

As used herein, "Sanctions" means all economic sanctions laws, rules, regulations, executive orders and requirements administered by any governmental authority of the United States (including the Office of Foreign Assets Control (OFAC) of the U.S. Department of the Treasury) or any other applicable domestic or foreign authority.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Custodial Agreement to be duly executed and delivered by their respective duly Authorized Officers as of the date first written above.

ARON ENERGY PREPAY 33 LLC
By: J. Aron & Company LLC, its Manager

By: _____
Name: _____
Title: _____
Taxpayer ID Number:_____

J. ARON & COMPANY LLC

By: _____
Name: _____
Title: _____

CENTRAL VALLEY ENERGY AUTHORITY

By: _____
Name: _____
Title: _____

THE BANK OF NEW YORK MELLON, as SPE Custodian

By: _____
Name: _____
Title: _____

EXHIBIT A

NOTICE ADDRESSES AND WIRE INSTRUCTIONS

[To come.]

EXHIBIT B

PREPAYMENT BALANCE

[To be attached.]

EXHIBIT C

FORM OF PUT OPTION NOTICE

[Date]

Aron Energy Prepay 48 LLC
c/o J. Aron & Company LLC
609 Main Street, Suite 2100
Houston, Texas 77002
Email: gs-prepay-notices@gs.com

The Bank of New York Mellon (the "SPE Master Custodian")
[____]
[____]
[____]

Re: Exhibit E to the Prepaid Commodity Sales Agreement, by and between Aron Energy Prepay 48 LLC, a Delaware limited liability company, and Central Valley Energy Authority, a joint powers authority and public entity of the State of California ("Issuer"), dated as of [____], 2025 (the "Receivables Purchase Exhibit")

Pursuant to and in accordance with [Section 2.1(a)/Section 2.1(b)] of the Receivables Purchase Exhibit, the Trustee, as agent for and on behalf of the Issuer, hereby delivers this Put Option Notice as of the date hereof with respect to the below Put Identified Receivables in accordance with Section 6(c) of the SPE Master Custodial Agreement and directs the SPE Master Custodian to withdraw amounts on deposit under the SPE Master Custodial Agreement for the purchase of such Put Receivables consistent with the terms of the SPE Master Custodial Agreement.

Downstream Purchaser	Date of Payment Default(s)	Principal Amount	Interest

Capitalized terms used herein and not otherwise defined shall have the meaning assigned in the Receivables Purchase Exhibit.

U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION, as Trustee

By:_____
Name:
Title:

EXHIBIT D

FORM OF EARLY TERMINATION PAYMENT DATE NOTICE OR FINAL MATURITY DATE NOTICE

[Date]

The Bank of New York Mellon (the "SPE Master Custodian")
[____]
[____]
[____]

Re: SPE Master Custodial Agreement, dated as of [____], 2025 (the "Custodial Agreement"), by and among the SPE Master, Custodian, Aron Energy Prepay 48 LLC ("Prepay LLC"), and Central Valley Energy Authority and J. Aron & Company LLC

Pursuant to and in accordance with Section 6(d) of the Custodial Agreement, Prepay LLC hereby delivers this notice as of the date hereof that (i) [an Early Termination Payment Date occurred on [DATE]]/[Final Maturity Date occurred on [DATE]] and (ii) no further payments are due under the Prepaid Agreement in respect of Put Receivables.

Capitalized terms used herein and not otherwise defined shall have the meaning assigned in the Custodial Agreement.

SCHEDULE I
Valuation Services Terms and Conditions

1. On each Valuation Date, Valuation Agent shall determine the Delivery Amount and the Return Amount as herein described. Capitalized terms used but not otherwise defined shall have the meanings assigned to such terms in the Credit Support Annex to the Back-End Commodity Swap.

2. On the Business Day prior to each Valuation Date as set forth in the Credit Support Annex to the Back-End Commodity Swap, Prepay LLC shall provide the Exposure under the Back-End Commodity Swap to the Valuation Agent. The Valuation Agent shall calculate the Delivery Amount and the Return Amount consistent with the terms of the Credit Support Annex (i.e., the Exposure minus the Posted Collateral and the rounding and Minimum Transfer Amount specified in the Credit Support Annex). On each Valuation Date prior to the Notification Time specified in the Credit Support Annex to the Back-End Commodity Swap, Valuation Agent shall transmit to Prepay LLC and Swap Counterparty a report ("Report") via e-mail of the values and other amounts determined in accordance with the preceding sentence. By electing to use e-mail for this purpose, Prepay LLC acknowledges that such transmissions are not encrypted and therefore are unsecure. Prepay LLC further acknowledges that there are other risks inherent in communicating through the internet such as the possibility of virus contamination and disruptions in service, and agrees that Valuation Agent shall not be responsible for any loss, damage or expense suffered or incurred by any of the parties hereto or any other person claiming by or through the parties as a result of the use of such method.

3. Reports shall be produced on a basis and in such form and content as shall be mutually agreed between Valuation Agent and Prepay LLC. Prepay LLC shall examine (or cause to be examined) each Report and notify Valuation Agent of any error, omission or discrepancy by the close of business on the Business Day immediately following receipt of such Report. The parties hereto acknowledge and agree that unless Valuation Agent is notified in writing of any error, omission or discrepancy by the close of the Business Day following receipt, each Report shall be deemed to be correct and conclusive in all respects, absent manifest error. In the event of any errors or omissions in any Report, Valuation Agent's sole responsibility and liability shall be the preparation of a corrected Report at no additional cost.

4. Valuation Agent is authorized to utilize any generally recognized pricing or other information service providers reasonably believed by it to be reliable in order to perform its valuation and other responsibilities hereunder. The parties hereto understand and agree that certain pricing information with respect to complex financial instruments (e.g., derivatives) may be based on calculated amounts rather than actual market transactions and may not reflect actual market values, and that the variance between such calculated amounts and actual market values may or may not be material. Where pricing and other information service providers do not provide information for particular securities or other property, Prepay LLC may advise Valuation Agent regarding the fair market value of, or provide other information with respect to, such securities or property as determined by it in good faith. It is acknowledged and agreed that information supplied by such pricing or other information service providers may be incorrect or incomplete and Valuation Agent shall not be liable for any loss, damage or expense incurred as a

result of errors or omissions with respect to any pricing or other information utilized by Valuation Agent hereunder.

CENTRAL VALLEY ENERGY AUTHORITY

$XXX,XXX,XXX
COMMODITY SUPPLY REVENUE BONDS
SERIES 2025

BOND PURCHASE CONTRACT

January __, 2025

Central Valley Energy Authority
333 East Canal Drive
Turlock, California 95381

To Whom It May Concern:

The undersigned, Goldman Sachs & Co. LLC (the *"Underwriter"*), offers to enter into this Bond Purchase Contract (the *"Purchase Contract"*) with Central Valley Energy Authority (the *"Issuer"*) which, upon the Issuer's acceptance of this offer, will be binding upon the Issuer and upon the Underwriter. This offer is made subject to the Issuer's written acceptance hereof on or before 11:59 p.m., local time in New York, New York, on the date written above, and, if not so accepted, will be subject to withdrawal by the Underwriter upon notice delivered to the Issuer at any time prior to the acceptance hereof by the Issuer.

Capitalized terms used and not defined herein shall have the respective meanings ascribed thereto in the Official Statement (defined below).

SECTION 1. PURCHASE AND SALE.

(a) Upon and subject to the terms and conditions and upon the basis of the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver for the account of the Underwriter, $XXX,XXX,XXX aggregate principal amount of the Issuer's Commodity Supply Revenue Bonds, Series 2025 (the *"Bonds"*), bearing interest at Fixed Rates and in a Fixed Rate Period during the Initial Interest Rate Period. The Bonds shall be dated as of the date of their original issuance and delivery, and shall have the maturities and shall bear interest for the Initial Interest Rate Period at the rates shown on *Schedule I* hereto, and shall be subject to redemption and mandatory tender for purchase as provided in the Indenture and described in the Official Statement.

(b) The aggregate purchase price for the Bonds shall be $_____ (representing the principal amount of the Bonds, plus original issue premium of $_____, less Underwriter's discount of $_____). Payment of the purchase price for and delivery of the Bonds shall be made as provided in Section 7 hereof (such payment and delivery and the other

actions contemplated hereby to take place at the time of such payment and delivery being herein sometimes called the *"Closing"*).

(c) It shall be a condition to the Issuer's obligation to sell and to deliver the Bonds to the Underwriter that the entire $XXX,XXX,XXX principal amount of the Bonds shall be purchased, accepted and paid for by the Underwriter at the Closing. It shall be a condition to the Underwriter's obligation to purchase, to accept delivery of and to pay for the Bonds, that the entire $XXX,XXX,XXX principal amount of the Bonds shall be issued, sold and delivered by the Issuer at the Closing.

SECTION 2. OFFICIAL STATEMENT; COMPLIANCE WITH RULE 15C2-12.

(a) The Issuer hereby confirms that it has "deemed final" as of its date the Preliminary Official Statement, dated [POS DATE], 2025, relating to the Bonds (the *"Preliminary Official Statement"*) for purposes of paragraph (b)(1) of Rule 15c2-12 (*"Rule 15c2-12"*) promulgated by the Securities and Exchange Commission (the *"SEC"*) under the Securities Exchange Act of 1934, as amended, except for the omission of only such material as is permitted by such paragraph.

(b) Within seven business days after the execution of this Purchase Contract (but in any event not less than two business days prior to the Closing Date (defined below)), the Issuer shall prepare and deliver to the Underwriter a final Official Statement of the Issuer relating to the Bonds executed by the Issuer as indicated thereon, such Official Statement to be in substantially the same form as the Preliminary Official Statement with such changes as shall be necessary to complete such form and such other changes as may be approved by the Underwriter (such document, including the cover page, inside front cover and Appendices attached thereto, is referred to herein as the *"Official Statement"*). The Issuer shall, as soon as practicable, but not later than [_____], 2025, deliver or cause to be delivered to the Underwriter as many printed, conformed copies of the Official Statement as the Underwriter shall advise the Issuer are necessary to permit the Underwriter to comply with the requirements of Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board (the *"MSRB"*). In addition, the Issuer will provide, subject to customary disclaimers regarding the transmission of electronic copies, an electronic copy of the final Official Statement to the Underwriter in the currently required designated electronic format stated in MSRB Rule G-32 and the EMMA Dataport Manual (as defined below). The format in which the Preliminary Official Statement was delivered meets such electronic format requirements.

Within one (1) business day after receipt of the Official Statement from the Issuer, but by no later than the Closing Date, the Underwriter shall, at its own expense, submit the Official Statement to EMMA (as defined below). The Underwriter shall comply with the provisions of MSRB Rule G-32, including without limitation the submission of Form G-32 and the Official Statement, and notify the Issuer of the date on which the Official Statement has been filed with EMMA.

"EMMA" means the MSRB's Electronic Municipal Market Access system, or any other electronic municipal securities information access system designated by the MSRB for collecting and disseminating primary offering documents and information.

"EMMA Dataport Manual" means the document(s) designated as such and published by the MSRB from time to time setting forth the processes and procedures with respect to submissions to be made to the primary market disclosure service of EMMA by underwriters under Rule G-32(b).

(c) Each party hereto agrees that it will notify the other parties hereto if, within the period from the date of this Purchase Contract to and including the date which is 25 days following the End of the Underwriting Period (defined below), such party discovers any pre-existing or subsequent fact or becomes aware of the occurrence of any event, in any such case, which might cause the Official Statement (as the same may have been supplemented or amended) to contain any untrue statement of a material fact or to omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If, in the reasonable judgment of the Underwriter, the preparation and publication of a supplement or amendment to the Official Statement is, as a result of such fact or event (or any other event which becomes known to the Issuer or the Underwriter during such period), necessary so that the Official Statement does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Issuer will, at its expense, supplement or amend the Official Statement in such a manner so that the Official Statement, as so supplemented or amended, does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and furnish or cause to be furnished a sufficient number of copies of such supplement or amendment to the Underwriter as is required for the Underwriter to comply with its obligations imposed by the SEC and the MSRB. The Issuer and the Underwriter agree that they will cooperate in the preparation of any such amendment or supplement. The Issuer agrees that it will not prepare, publish or distribute any supplement or amendment to the Official Statement prior to the End of the Underwriting Period, to which, after being furnished with a copy, the Underwriter shall reasonably object in writing.

(d) For purposes of this Purchase Contract, the "End of the Underwriting Period" shall mean the Closing Date, or, if the Issuer has been notified in writing by the Underwriter, on or prior to the Closing Date, that the "End of the Underwriting Period" within the meaning of Rule 15c2-12 will not occur on the Closing Date, such later day on which the "End of the Underwriting Period" within such meaning has in fact occurred. If the Issuer has been given notice pursuant to the preceding sentence that the "End of the Underwriting Period" will not occur on the Closing Date, the Underwriter agrees to notify the Issuer in writing of the day it does occur as soon as practicable following the "End of the Underwriting Period" for all purposes of Rule 15c2-12; *provided, however,* that if the Underwriter has not otherwise so notified the Issuer of the "End of the Underwriting Period" by the 60th day after the Closing Date, then the "End of the Underwriting Period" shall be deemed to occur on such 60th day after the Closing Date, unless otherwise agreed to by the Issuer.

(e) In connection with any amendments or supplements to the Official Statement that are made pursuant to Section 2(c) hereof, the Underwriter may request and the Issuer hereby agrees that it will provide such additional certificates and opinions of counsel as the Underwriter shall

reasonably deem necessary to evidence the accuracy and completeness of the Official Statement, as so amended or supplemented.

(f) To enable the Underwriter to comply with the requirements of paragraph (b)(5) of Rule 15c2-12 the Issuer and Turlock Irrigation District ("*TID"*) will, on or prior to the date of the Closing (the *"Closing Date"*), execute and deliver a Continuing Disclosure Agreement in substantially the form set forth in APPENDIX E to the Official Statement (the *"Continuing Disclosure Agreement"*).

SECTION 3. THE BONDS AND THE INDENTURE.

The Bonds shall be issued and secured under, shall have the terms and provisions described in, and shall be payable as provided in, the Trust Indenture, dated as of January 1, 2025 (the *"Indenture"*), to be entered into between the Issuer and U.S. Bank Trust Company, National Association, as trustee (the *"Trustee"*), in substantially the form thereof heretofore provided to the Underwriter. The Bonds are being issued to finance the Cost of Acquisition of the Commodity Project (as such terms are defined in the Indenture).

SECTION 4. OFFERING.

The Underwriter agrees to make a public offering of all of the Bonds at not in excess of the initial public offering prices or less than the yields set forth on the inside front cover of the Official Statement. The Underwriter shall notify the Issuer of any change in the initial offering prices.

SECTION 5. USE OF DOCUMENTS.

The Issuer hereby ratifies the use by the Underwriter of the Preliminary Official Statement (in printed or electronic form) and authorizes the use by the Underwriter of the Official Statement (including any supplements or amendments thereto) (in printed or electronic form) and the Issuer Documents (defined below), and the information therein contained, in connection with the public offering and sale of the Bonds.

SECTION 6. REPRESENTATIONS, WARRANTIES AND AGREEMENTS.

The Issuer hereby represents, warrants and agrees as follows:

(a) the Issuer is a joint exercise of powers agency of the State of California (the *"State"*), organized and existing pursuant to the provisions of the Joint Exercise of Powers Act, constituting Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the California Government Code, as amended and supplemented (the *"Act"*), and a joint powers agreement, dated November 26, 2024 (the *"JPA Agreement"*), entered into between TID and the Walnut Energy Center Authority;

(b) the Issuer has full legal right, power and authority (i) to enter into and perform its obligations under (A) this Purchase Contract, (B) the Indenture, (C) the

CVEA Commodity Swap, (D) the CVEA Custodial Agreement, (E) the Commodity Purchase Agreement, (F) the Commodity Supply Contract, (G) the Re-Pricing Agreement, (H) the Continuing Disclosure Agreement and (I) the SPE Master Custodial Agreement (collectively, the *"Issuer Documents"*), (ii) to adopt the resolution adopted by it on January __, 2025, authorizing, among other things, the issuance of the Bonds and the execution and delivery by it of the Official Statement and the Issuer Documents (the *"Resolution"*), (iii) to sell, issue and deliver the Bonds to the Underwriter as provided herein, and (iv) to carry out and consummate the transactions contemplated to be undertaken by the Issuer by the Resolution, the Issuer Documents and the Official Statement; and the Issuer has materially complied, and will at the Closing be in material compliance in all respects, with the terms of the Act, and with the obligations in connection with the issuance of the Bonds on its part contained or to be contained in the Resolution, the Issuer Documents, and the Bonds;

(c) by all necessary official action, the Issuer has duly adopted the Resolution, has duly authorized and approved the Preliminary Official Statement and the Official Statement and the delivery to and use of each thereof by the Underwriter, has deemed the Preliminary Official Statement final for purposes of Rule 15c2-12 (except such information as is permitted to be omitted therefrom by Rule 15c2-12), and has duly authorized and approved the execution and delivery of, and the performance by the Issuer of the obligations in connection with the issuance of the Bonds on its part contained in, the Resolution, the Bonds, the Issuer Documents, and the consummation by it of all other transactions contemplated by the Resolution, the Bonds and the Issuer Documents; upon their execution and delivery by the Issuer and assuming the execution and delivery by the other parties thereto, the Issuer Documents will constitute the legal, valid and binding obligations of the Issuer, enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or similar laws or equitable principles relating to or affecting creditors' rights generally or by the exercise of judicial discretion in appropriate cases or by limitations on legal remedies against public agencies in the State; and the Bonds, when issued, authenticated and delivered for the account of the Underwriter in accordance with the Indenture and this Purchase Contract, will constitute legal, valid and binding limited obligations of the Issuer that are entitled to the benefits and security of the Indenture and are enforceable in accordance with their terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or similar laws or equitable principles relating to or affecting creditors' rights generally or by the exercise of judicial discretion in appropriate cases or by limitations on legal remedies against public agencies in the State;

(d) the Issuer is not in material breach of or default under any existing applicable constitutional provision, law or administrative regulation of the State or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer or any of its property or assets is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would (unless cured or waived) constitute a material default or event of default under any such

instrument, in each case, which, in any material way, directly or indirectly, affects the issuance of the Bonds, or validity of the Bonds or the Issuer Documents, the validity or adoption of the Resolution or the execution and delivery of the Bonds or the Issuer Documents; and the adoption of the Resolution and the execution and delivery of the Bonds and the Issuer Documents, and compliance with the provisions on the Issuer's part contained therein, will not conflict with or constitute a material breach of or default under any existing applicable constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer or any of its property or assets is otherwise subject which, in any material way, directly or indirectly, affects the issuance of the Bonds, or validity of the Bonds or the Issuer Documents, the validity or adoption of the Resolution or the execution and delivery of the Bonds or the Issuer Documents, nor will any such adoption, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Issuer or under the terms of any such law, regulation or instrument, except as contemplated by the Issuer Documents;

(e) all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect the due performance by the Issuer of, its obligations in connection with the issuance of the Bonds under this Purchase Contract, the Indenture and the transactions contemplated thereby have been duly obtained, except for such approvals, consents and orders as may be required under the blue sky or securities laws of any state in connection with the offering and sale of the Bonds; and, except as described in or contemplated by the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction in the matter which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect the due performance by the Issuer of, its respective obligations under the Bonds or any of the Issuer Documents have been duly obtained;

(f) the Bonds, when issued, will conform to the description thereof contained in the Preliminary Official Statement and the Official Statement, including under the caption "THE BONDS;" the Indenture, upon its execution and delivery, will conform to the summaries thereof contained in the Preliminary Official Statement and the Official Statement, including under the caption "SECURITY FOR THE BONDS" and in APPENDIX C – "DEFINITIONS OF CERTAIN TERMS" and APPENDIX D – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE"; the Commodity Purchase Agreement, upon its execution and delivery, will conform to the summaries thereof contained in the Preliminary Official Statement and the Official Statement, including under the caption "THE COMMODITY PURCHASE AGREEMENT"; the Commodity Supply Contract, upon its execution and delivery, will conform to the summary thereof contained in the Preliminary Official Statement and the Official Statement, including under the caption "THE COMMODITY SUPPLY CONTRACT"; the Commodity Swaps, upon their execution and delivery, will conform to the summaries

thereof contained in the Preliminary Official Statement and the Official Statement, including under the caption "THE COMMODITY SWAPS"; the Investment Agreement[s], upon [its][their] execution and delivery, will conform to the summary thereof contained in the Preliminary Official Statement and the Official Statement, including under the caption "SECURITY FOR THE BONDS – Investment of Funds"; the Re-Pricing Agreement, upon its execution and delivery, will conform to the summaries thereof contained in the Preliminary Official Statement and the Official Statement, including under the caption "THE RE-PRICING AGREEMENT"; and the Continuing Disclosure Agreement, upon its execution and delivery, will conform to the summary thereof contained in the Preliminary Official Statement and the Official Statement, including under the caption "CONTINUING DISCLOSURE" and will be substantially in the form attached to the Official Statement as APPENDIX E;

(g) the Bonds when issued, authenticated and delivered in accordance with the Indenture and sold to the Underwriter as provided herein, will be validly issued and outstanding obligations of the Issuer entitled to the benefits of the Indenture, and upon such issuance, authentication and delivery, the Indenture will provide, for the benefit of the holders from time to time of the Bonds, a legally valid and binding pledge of and lien on the Trust Estate, including the Revenues (as such terms shall be defined in the Indenture) and the funds, accounts and agreements pledged under the Indenture, subject only to (i) the prior pledge of and lien on the Commodity Swap Reserve Account in favor of the Commodity Swap Counterparty and (ii) the provisions of the Indenture permitting the application thereof on the terms and conditions set forth in the Indenture;

(h) between the date of this Purchase Contract and the Closing Date, the Issuer will not, without the prior written consent of the Underwriter, offer or issue any bonds, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, in either case, which would materially adversely affect the rights of the Underwriter hereunder or the security for the Bonds;

(i) except as described in the Preliminary Official Statement and the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the best knowledge of the Issuer, threatened against the Issuer (nor to the best knowledge of the Issuer is there any such action, suit, proceeding, inquiry or investigation pending or, to the best of the Issuer's knowledge, threatened against TID), affecting the corporate existence of the Issuer or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the collection of the Revenues, or the pledge of and lien on the Trust Estate, including the Revenues and the funds, accounts and agreements pledged under the Indenture, or contesting or affecting as to the Issuer the validity or enforceability of the Act, the JPA Agreement, the Resolution, the Bonds, or any Issuer Document, or contesting the excludability of interest on the Bonds from gross income for federal income tax purposes as described in the Preliminary Official Statement and the Official Statement, or contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto, or contesting the powers of the Issuer or any authority for the issuance of the

Bonds, the adoption of the Resolution or the execution and delivery by the Issuer of any of the Issuer Documents, nor, to the best knowledge of the Issuer, is there any basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Act as to the Issuer or the authorization, execution, delivery or performance (as applicable) by the Issuer of the Resolution, the Bonds, any Issuer Document or the JPA Agreement;

(j) the Issuer will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order (i) to qualify the Bonds for offer and sale under the blue sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Bonds; *provided, however,* that the Issuer shall not be required to execute a general consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction;

(k) at the time of the Issuer's acceptance hereof, the Official Statement (excluding therefrom the information under the captions "INTRODUCTION – The Commodity Supplier, J. Aron and GSG", INVESTMENT CONSIDERATIONS – Insolvency of the Funding Recipient", "THE BONDS – Book-Entry System", "GSG, J. ARON AND THE COMMODITY SUPPLIER", "THE COMMODITY SWAP COUNTERPARTY", "UNDERWRITING", "APPENDIX G – BOOK-ENTRY SYSTEM", and "APPENDIX J – PACIFIC LIFE INSURANCE COMPANY" (collectively, the "Excluded Information")) did not and, at all times subsequent thereto up to and including the Closing Date (except for a brief period between any change in any relevant circumstance and the timely amendment or supplement of the Official Statement to reflect such change), the Official Statement (as the same may be supplemented or amended pursuant to Section 2(c) hereof) will not, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(l) if the Official Statement is supplemented or amended pursuant to Section 2(c) hereof, at the time of each supplement or amendment thereto and at all times subsequent thereto up to and including the Closing Date (except for a brief period between any change in any relevant circumstance and the timely amendment or supplement of the Official Statement to reflect such change), the Official Statement as so supplemented or amended (excluding the Excluded Information) will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(m) as of its date and as of the date hereof, the Preliminary Official Statement (excluding the Excluded Information and such information as is permitted to be omitted

therefrom by Rule 15c2-12, and certain terms left blank or marked as preliminary, subject to change) did not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and

(n) the Issuer has not entered into any previous undertakings in a written continuing disclosure contract or agreement under Rule 15c2-12.

SECTION 7. CLOSING.

(a) Not later than 1:00 p.m., New York City time, on [CLOSING DATE,] 2025, or at such earlier or later date as may be mutually agreed upon by the Issuer and the Underwriter, the Issuer will, subject to the terms and conditions hereof: (i) deliver one duly executed and authenticated bond for each maturity of the Bonds for the account of the Underwriter on behalf of the Underwriter through the facilities of The Depository Trust Company (*"DTC"*), registered in the name of Cede & Co., as nominee of DTC; and (ii) deliver to the Underwriter the other documents hereinafter mentioned. Subject to the terms and conditions hereof, the Underwriter shall accept such delivery and pay the purchase price of the Bonds, as set forth in Section 1 hereof, which purchase price shall be remitted by the Underwriter to the Trustee, by wire transfer in immediately available funds, for application by the Trustee in accordance with the provisions of the Indenture. Delivery of the Bonds shall be made through the facilities of DTC and delivery of the other documents shall be made through an electronic closing room maintained by Stradling Yocca Carlson & Rauth LLP, or such other means as shall have been mutually agreed upon by the Issuer and the Underwriter.

(b) If the Closing does not occur on or before the date specified in Section 7(a) because of the inability of either party hereto to satisfy the conditions to the Closing, then this Purchase Contract shall be deemed terminated with the same force and effect as if it were terminated pursuant to Section 9 hereof, unless the parties hereto mutually agree otherwise in writing.

SECTION 8. CLOSING CONDITIONS.

The Underwriter has entered into this Purchase Contract in reliance upon the representations and warranties of the Issuer contained herein, and in reliance upon the representations and warranties to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Issuer of its obligations hereunder, both as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Issuer of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions:

(a) the representations and warranties of the Issuer contained herein shall be true, complete and correct on the date hereof and on and as of the Closing Date, as if made on the Closing Date;

(b) at the time of the Closing, the JPA Agreement, the Resolution, and the Issuer Documents shall be in full force and effect in accordance with their respective terms and shall not have been amended, modified or supplemented, and the Official Statement shall not have been supplemented or amended, except in any such case as may have been agreed to by the Underwriter;

(c) at the time of the Closing, all official action of the Issuer and of the other parties thereto relating to the Resolution, the Bonds, and the Issuer Documents shall be in full force and effect in accordance with their respective terms and shall not have been amended, modified or supplemented in any materially adverse respect;

(d) at the time of the Closing, there shall have been no material adverse change in (i) any required permits, licenses and approvals and arrangements for financing of the Commodity Project, or (ii) the financial position, results of operations or condition, financial or otherwise (to the extent applicable), of the Issuer or of TID, as all the foregoing matters are described in the Official Statement; and

(e) at or prior to the Closing, the Underwriter shall have received each of the following documents:

(1) the Preliminary Official Statement and the Official Statement and each supplement or amendment, if any, thereto, executed on behalf of the Issuer, in the case of the Official Statement, by an authorized officer;

(2) a copy of the Resolution, certified by the Executive Secretary (or a deputy thereof) of the Issuer (the *"Secretary"*) as having been duly adopted by the Issuer and as being in full force and effect;

(3) a certified copy of the JPA Agreement;

(4) the Indenture, executed by an authorized officer of the Issuer and by an authorized representative of the Trustee;

(5) copies of the executed Commodity Supply Contract, Commodity Purchase Agreement, Investment Agreement[s], Custodial Agreements, Re-Pricing Agreement, and Commodity Swaps, together with copies of the closing deliverables required thereunder;

(6) a copy of this Purchase Contract, executed by an authorized officer of the Issuer and the Underwriter;

(7) (A) copies of the limited liability company agreement of the Commodity Supplier, the SPE Master Custodial Agreement and the Subordinated Loan Agreement, (B) an incumbency certificate and a Delaware good standing certificate of the Commodity Supplier, and (C) disclosure letters of the Commodity Supplier and J. Aron regarding certain information contained in the Preliminary

Official Statement and the Official Statement under the caption "GSG, J. ARON AND THE COMMODITY SUPPLIER";

(8) a copy of the executed Commodity Sale and Service Agreement between the Commodity Supplier and J. Aron, together with a copy of the executed CSSA Guaranty issued by GSG;

(9) a copy of the resolution of TID relating to the Commodity Project (including, but not limited to, the approval of the execution and delivery of the Commodity Supply Contract);

(10) an opinion, dated the Closing Date and addressed to the Issuer, of Stradling Yocca Carlson & Rauth LLP, as Bond Counsel, in substantially the form included in the Official Statement as APPENDIX F, together with a reliance letter addressed to the Trustee;

(11) a supplemental opinion, dated the Closing Date and addressed to the Underwriter of Stradling Yocca Carlson & Rauth LLP, as Bond Counsel, in substantially the form attached hereto as *Exhibit A*;

(12) an opinion, addressed to the Issuer and the Underwriter, of Stradling Yocca Carlson & Rauth LLP, as special counsel to the Issuer, in substantially the form attached hereto as *Exhibit B*;

(13) a certificate, dated the Closing Date, signed by an authorized officer of the Issuer, in substantially the form attached hereto as *Exhibit C*;

(14) an opinion, addressed to the Underwriter, dated the Closing Date, of Stradling Yocca Carlson & Rauth LLP, as disclosure counsel to TID, in substantially the form attached hereto as *Exhibit D*.

(15) a negative assurance letter, addressed to the Underwriter, dated the Closing Date, of Stradling Yocca Carlson & Rauth LLP, as disclosure counsel to the Issuer, in substantially the form attached hereto as *Exhibit E.*

(16) an opinion, dated the Closing Date and addressed to the Issuer and the Underwriter, of general counsel to TID, in substantially the form attached as Exhibit E to the Commodity Supply Contract;

(17) opinions of in-house counsel to J. Aron and of Sheppard, Mullin, Richter & Hampton LLP, special counsel to the Commodity Supplier and to J. Aron, dated the Closing Date, in substantially the forms attached hereto as *Exhibit F* and addressed as set forth in such forms;

(18) an opinion of Sheppard, Mullin, Richter & Hampton LLP, dated the Closing Date, in substantially the form attached hereto as *Exhibit G* and addressed as set forth in such form;

(19) an opinion, dated the Closing Date and addressed to the Underwriter, of counsel to GSG with respect to the CSSA Guaranty, in form and substance acceptable to the Underwriter;

(20) an opinion, dated the Closing Date and addressed to the Underwriter, of Chapman and Cutler LLP, counsel to the Underwriter, in form and substance acceptable to the Underwriter;

(21) an opinion, dated the Closing Date and addressed to the Issuer and the Underwriter, of Ballard Spahr LLP, counsel to the Trustee, in form and substance acceptable to the addressees of such opinion;

(22) a copy of the executed Non-Participating Funding Agreement (the *"Funding Agreement"*) between the Commodity Supplier and Pacific Life Insurance Company (the *"Funding Recipient"*);

(23) copies of the certificates, opinions and other closing deliverables required by the Funding Agreement;

(24) a copy of the Blanket Issuer Letter of Representations of the Issuer addressed to DTC, executed by the Issuer;

(25) an executed certificate of the Issuer covering such matters as shall be necessary, in the opinion of Bond Counsel, to establish that interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, together with a certificate of TID with respect to its use of Commodities under the Commodity Supply Contract and related matters, including such matters as in substantially the form attached as Exhibit D to the Commodity Supply Contract, and IRS Form 8038-G with respect to the Bonds executed by the Issuer;

(26) an executed certificate of TID covering certain matters with respect to TID's execution and delivery of the Commodity Supply Contract and regarding certain information contained in the Preliminary Official Statement and the Official Statement under the caption "INTRODUCTION – The Project Participant" and in Appendix A – "CERTAIN INFORMATION REGARDING TURLOCK IRRIGATION DISTRICT";

(27) evidence satisfactory to the Underwriter that the Bonds have been rated "___" by Moody's Investors Service, Inc. (*"Moody's"*);

(28) the Continuing Disclosure Agreement, executed by TID, the Issuer and Willdan Financial Services, as dissemination agent;

(29) specimen Bonds;

(30) written request of the Issuer to authenticate and deliver the Bonds, as required by Section 2.3 of the Indenture;

(31) a copy of the certificate of the Trustee regarding execution of documents;

(32) copies of each Investment Agreement, executed by the Trustee and the respective providers of such investment agreements, together with copies of the closing deliverables required thereunder;

(33) opinions, dated the Closing Date, of Gabell Beaver LLC, Delaware counsel to the Commodity Supplier, addressed to the Issuer, the Trustee, the Underwriter, and the Funding Recipient, in form and substance acceptable to the Issuer and the Underwriter;

(34) a transcript of all proceedings of the Issuer relating to the authorization and issuance of the Bonds; and

(35) such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the Issuer's representations and warranties contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction by the Issuer on or prior to the Closing Date of all the agreements then to be performed and conditions then to be satisfied by it.

All the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Contract shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Underwriter, such satisfaction to be conclusively evidenced by the Underwriter's payment for the Bonds at Closing. The opinion of Bond Counsel which is referred to in clause (10) of paragraph (e) of this Section 8 shall be deemed satisfactory provided it is substantially in the form included in the Official Statement as APPENDIX F, and the opinions and certificates referred to in clauses (11), (12), (13), (14), (15) and (17) of such paragraph shall be deemed satisfactory provided they are substantially in the forms attached as exhibits to this Purchase Contract, the opinion referred to in clause (16) of such paragraph shall be deemed satisfactory provided it is substantially in the form attached as Exhibit E to the Commodity Supply Contract, and the certificate of TID referred to in clause (26) of such paragraph shall be deemed satisfactory provided it is substantially in the form attached as Exhibit D to the Commodity Supply Contract.

SECTION 9. TERMINATION.

The Underwriter shall have the right to terminate the Underwriter's obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds by notifying the Issuer of its election to do so if, after the execution hereof and prior to the Closing:

(a) the marketability of the Bonds or the market price thereof, in the opinion of the Underwriter, has been materially adversely affected by:

(i) an amendment to the Constitution of the United States;

(ii) any legislation (A) enacted or introduced by the United States Congress, (B) recommended to the United States Congress for passage by the President of the United States, the Treasury Department of the United States or the Internal Revenue Service or (C) favorably reported for passage to either House of the United States Congress by any Committee of such House or by a Conference Committee of both Houses to which such legislation has been referred for consideration with the purpose or effect, directly or indirectly, of imposing federal income taxation upon the interest on bonds of the Issuer (including the Bonds), the Issuer, or its property or income but only, however, if the occurrence of any of the foregoing events is generally accepted by the municipal bond market as potentially affecting the federal tax status of the Issuer, its property or income or the interest on its bonds (including the Bonds); provided, that any such legislation which only diminishes the value of, as opposed to eliminating, the exclusion from gross income for federal income tax purposes of interest on bonds of the Issuer (including the Bonds) will not give the Underwriter the right to terminate its obligations under this Purchase Contract;

(iii) any decision rendered by a court established under Article III of the Constitution of the United States or the Tax Court of the United States with the purpose or effect, directly or indirectly, of imposing federal income taxation upon the interest on bonds of the Issuer (including the Bonds), the Issuer, or its property or income;

(iv) any final ruling or regulation on behalf of the Treasury Department of the United States or the Internal Revenue Service with the purpose or effect, directly or indirectly, of imposing federal income taxation upon the interest on bonds of the Issuer (including the Bonds), the Issuer, or its property or income;

(v) there shall have occurred any outbreak or escalation of hostilities involving the United States or any national or international calamity or crisis relating to the effective operation of the government of, or the financial community in, the United States;

(vi) there shall have been any downgrading or any suspension or withdrawal for credit related reasons, or any official statement as to a possible

downgrading, or a possible suspension or withdrawal for credit related reasons, of the rating by Moody's of the Bonds;

(vii) an event described in Section 2(c) hereof shall have occurred prior to the Closing Date which in the opinion of the Underwriter requires the preparation and publication of a supplement or amendment to the Official Statement and in such event (a) the Issuer or TID refuses to permit the Official Statement to be supplemented to supply such statement or information or (b) the effect of the Official Statement as so supplemented is, in the reasonable opinion of the Underwriter, to materially adversely affect the market price or marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale, at the contemplated offering prices (or yields) of the Bonds;

(viii) there shall have occurred the declaration of a general banking moratorium by any authority of the United States, the State of New York or the State, the general suspension of trading on the New York Stock Exchange or any other national securities exchange, or a material disruption in commercial banking or securities settlement or clearances services; or

(ix) the New York Stock Exchange or other national securities exchange, or any governmental authority shall have:

(1) imposed additional material restrictions not in force as of the date hereof with respect to trading in securities generally, or to the Bonds or obligations similar to the Bonds; or

(2) materially increased restrictions now in force with respect to the extension of credit by or the charge to the net capital requirements of the Underwriter or broker/dealers; or

(b) legislation is enacted or a decision by a court of competent jurisdiction is rendered, or a final ruling or regulation is issued by the SEC or other governmental agency having jurisdiction of the subject, to the effect that the issuance, offering or sale of obligations of the general character of the Bonds is in violation of, or that such obligations are not exempt from the registration, qualification under or other similar requirements of, the Securities Act of 1933, amended as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect.

SECTION 10. EXPENSES.

(a) The Underwriter shall be under no obligation to pay, and the Issuer shall pay, any expenses incident to the performance of the Issuer's obligations hereunder including, but not limited to: (i) the costs of preparation, printing and delivery of the Indenture; (ii) the costs of preparation, printing and delivery of the Preliminary Official Statement and the Official Statement and any supplements and amendments thereto; (iii) the costs of preparation of the Bonds; (iv) the fees and disbursements of Bond Counsel and special counsel to the Issuer; (v) the fees and

disbursements of PFM Financial Advisors LLC (*"PFM"*), municipal advisor; and (vi) the fees and disbursements of any other engineers, accountants and other experts, consultants or advisers retained by the Issuer or TID. To the extent that the Underwriter, in order to facilitate the transactions hereunder, has advanced funds to pay any expenses of the Issuer or TID incidental to this Purchase Contract and the transactions hereunder (including, but not limited to, transportation, lodging, meals and other ancillary costs of the Issuer or TID representatives associated with the financing), the Issuer shall reimburse the Underwriter for such advances as part of the expense component of the Underwriter's compensation hereunder.

(b) The Underwriter shall pay only: (i) the cost of the preparation of this Purchase Contract and the Blue Sky Memorandum prepared in connection with the Bonds; (ii) all advertising expenses and blue sky filing fees in connection with the public offering of the Bonds; (iii) its own out-of-pocket expenses in connection with the public offering of the Bonds; (iv) any fees of DTC, the California Debt and Investment Advisory Commission and the MSRB, if any, in connection with the Bonds; (v) the fees associated with obtaining CUSIP numbers for the Bonds; and (vi) the fees and expenses of Chapman and Cutler LLP, counsel to the Underwriter. The Issuer acknowledges that a portion of the Underwriter's discount is intended to reimburse the Underwriter for incidental expenses (including, but not limited to, transportation, lodging and meals of Underwriter's personnel) incurred by the Underwriter (on its own behalf) in connection with the transaction contemplated by this Purchase Contract.

(c) The provisions of this Section 10 shall survive any termination of this Purchase Contract.

SECTION 11. NO ADVISORY OR FIDUCIARY ROLE.

The Issuer acknowledges and agrees that: (i) the primary role of the Underwriter, as an underwriter, is to purchase securities, for resale to investors, in an arm's-length commercial transaction between the Issuer and the Underwriter and that the Underwriter has financial and other interests that differ from those of the Issuer; (ii) the Underwriter is not acting as a municipal advisor, financial advisor, or fiduciary to the Issuer and has not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Issuer on other matters); (iii) the only obligations the Underwriter has to the Issuer with respect to the transaction contemplated hereby expressly are set forth in this Purchase Contract, provided that nothing in this Purchase Contract shall be construed to limit the Underwriter's obligation of fair dealing under MSRB Rule G-17; and (iv) the Issuer has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate. If the Issuer would like a municipal advisor in this transaction that has legal fiduciary duties to the Issuer, then the Issuer is free to engage a municipal advisor to serve in that capacity.

SECTION 12. ESTABLISHMENT OF ISSUE PRICE.

(a) The Underwriter agrees to assist the Issuer in establishing the issue price of the Bonds and shall execute and deliver to the Issuer at Closing an "issue price" or similar certificate, together

with the supporting pricing wires or equivalent communications, in such form as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the Issuer under this section to establish the issue price of the Bonds may be taken on behalf of the Issuer by PFM and any notice or report to be provided to the Issuer may be provided to PFM.

(b) The Issuer will treat the first price at which 10% of each maturity of the Bonds (the *"10% test"*) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Purchase Contract, the Underwriter shall report to the Issuer the price or prices at which it has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the Issuer the prices at which it sells the unsold Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold to the public, provided that, the Underwriter's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Issuer or Bond Counsel.

(c) The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the *"initial offering price"*), or at the corresponding yield or yields, set forth in *Schedule I* attached hereto, except as otherwise set forth therein. Schedule I also sets forth, as of the date of this Purchase Contract, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which the Issuer and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Issuer to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth (5th) business day after the sale date; or

(2) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the Issuer promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

(d) The Underwriter confirms that:

(i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires,

contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) to promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(e) The Issuer acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Issuer further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to

comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

(f) The Underwriter acknowledges that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) *"public"* means any person other than the Underwriter or a related party,

(ii) *"underwriter"* means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),

(iii) a purchaser of any of the Bonds is a *"related party"* to the Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) *"sale date"* means the date of execution of this Purchase Contract by all parties.

SECTION 13. NOTICES.

Any notice or other communication to be given to the Issuer under this Purchase Contract may be given by delivering the same in writing to the Issuer's address set forth above, and any notice or other communication to be given to the Underwriter under this Purchase Contract may be given by delivering the same in writing to Goldman Sachs & Co. LLC, 200 West Street, 33rd Floor, New York, NY 10282, Attention: Municipal Finance Department.

SECTION 14. ELECTRONIC MEANS.

Each of the parties hereto agrees that the transaction consisting of this Purchase Contract may be conducted by electronic means. Each party agrees, and acknowledges that it is such party's intent, that if such party signs this Purchase Contract using an electronic signature, it is signing,

adopting, and accepting this Purchase Contract and that signing this Purchase Contract using an electronic signature is the legal equivalent of having placed its handwritten signature on this Purchase Contract on paper. Each party acknowledges that it is being provided with an electronic or paper copy of this agreement in a usable format.

SECTION 15. PARTIES IN INTEREST.

This Purchase Contract is made solely for the benefit of the Issuer and the Underwriter (including the successors or assigns of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof. All of the Issuer's representations, warranties and agreements contained in this Purchase Contract shall remain operative and in full force and effect, regardless of: (i) any investigations made by or on behalf of the Underwriter; (ii) delivery of and payment for the Bonds pursuant to this Purchase Contract; and (iii) any termination of this Purchase Contract.

SECTION 16. EFFECTIVENESS.

This Purchase Contract shall become effective upon the execution hereof by an Authorized Officer of the Issuer and shall be valid and enforceable at the time of such execution.

SECTION 17. GOVERNING LAW.

This Purchase Contract will be governed by and construed in accordance with the laws of the State of California.

SECTION 18. ENTIRE AGREEMENT.

This Purchase Contract constitutes the entire agreement between the parties hereto with respect to the matters covered hereby, and supersedes all prior agreements and understandings between the parties regarding the transaction contemplated by this Purchase Contract and the process leading thereto. This Purchase Contract shall only be amended, supplemented or modified in a writing signed by both of the parties hereto.

SECTION 19. REFERENCES.

References herein to "Sections," "Schedules" and "Exhibits" refer to the Sections of and Schedules and Exhibits to this Purchase Contract unless the context requires otherwise.

[signature page follows]

SECTION 20. HEADINGS.

The headings of the sections of this Purchase Contract are inserted for convenience only and shall not be deemed to be a part hereof.

Very truly yours,

GOLDMAN SACHS & CO. LLC

By:_____
Name: Joseph R. Natoli
Its: Managing Director

Accepted:

This __th day of January, 2025

CENTRAL VALLEY ENERGY AUTHORITY

By:_____
Name:
Its:

SCHEDULE I
MATURITY SCHEDULE

$XXX,XXX,XXX
CENTRAL VALLEY ENERGY AUTHORITY
COMMODITY SUPPLY REVENUE BONDS
SERIES 2025

MATURITY _____ 1	PRINCIPAL AMOUNT	INTEREST RATE	YIELD	PRICE	CUSIP

$_____ __% Term Bond due _____ 1, 20__[c], Yield: __%, Price: ___;**CUISP: _____**

[c] Priced to mandatory tender on _____ 1, 203_.

EXHIBIT A

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

[Closing Date], 2025

Goldman Sachs & Co. LLC
New York, New York

Central Valley Energy Authority
Commodity Supply Revenue Bonds, Series 2025

Ladies and Gentlemen:

We have acted as Bond Counsel to the Central Valley Energy Authority (the "Authority") in connection with the issuance of $____ aggregate principal amount of Central Valley Energy Authority Revenue Bonds, Series 2025 (the "Bonds"). All capitalized terms used herein and not otherwise defined herein shall have the respective meanings given to such terms in the Trust Indenture, dated as of January 1, 2025 (the "Indenture") by and between the Authority and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"). The Bonds have been authenticated by the Trustee pursuant to the terms of the Indenture.

On the date hereof, we delivered to the Authority an opinion relating to, among other things, the validity of the Bonds and Indenture. You are authorized to rely upon said opinion as if addressed to you.

Based upon the foregoing and our review of such other information, documents and matters of law as we considered necessary and in reliance on the foregoing, as appropriate, we are of the opinion that:

(i) The Bond Purchase Contract, dated [BPA DATE], 2025 (the "Purchase Contract"), by and between the Authority and Goldman Sachs & Co. LLC, as underwriter (the "Underwriter"), has been duly authorized, executed and delivered by the Authority and, assuming the due authorization, execution and delivery by the Underwriter on behalf of the Underwriter, is a valid and binding agreement of the Authority enforceable in accordance with its terms;

(ii) The Continuing Disclosure Agreement (the "Continuing Disclosure Agreement"), dated the date hereof, by and among the Authority, the Turlock Irrigation District ("TID") and Willdan Financial Services, as dissemination agent (the "Dissemination Agent") has been duly authorized, executed and delivered by the Authority and, assuming due authorization, execution and delivery by the Dissemination Agent and TID, is a valid and binding agreement of the Authority enforceable in accordance with its terms; and

(iii) The statements contained in the Preliminary Official Statement, dated January __, 2025, relating to the Bonds (the "Preliminary Official Statement") and the Official Statement, dated January __, 2025, relating to the Bonds (the "Official Statement"), under the captions "THE BONDS," "SECURITY FOR THE BONDS" and "TAX MATTERS" and in Appendices C, D and F thereto, insofar as such statements purport to summarize certain provisions of the Bonds, the Indenture and Bond Counsel's opinions concerning certain federal tax matters relating to the Bonds, are accurate in all material respects as of the respective dates of the Preliminary Official Statement and the Official Statement and as of the date of hereof.

The opinions expressed herein are based upon our analysis and interpretation of existing laws, regulations, rulings and judicial decisions and cover certain matters not directly addressed by such authorities. This letter is limited to matters governed by the laws of the State of California and federal securities laws, and we assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction. We call attention to the fact that the rights and obligations of the Issuer under the Purchase Contract, the Indenture, the other Issuer Documents (as defined in the Purchase Contract) and the Bonds are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws affecting creditors' rights, to the application of equitable principles if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State of California.

This letter is being furnished to you solely for your benefit in connection with your purchase of the Bonds and is not to be used, circulated, quoted or otherwise referred to for any other purpose without our prior written consent. No attorney-client relationship has existed or exists between our firm and you in connection with the Bonds or by virtue of this letter and we are not assuming any professional responsibility to any other person whomsoever.

Respectfully submitted,

EXHIBIT B

FORM OF OPINION OF STRADLING AS SPECIAL COUNSEL TO THE ISSUER

[Closing Date], 2025

To the Addressees on
Schedule I attached hereto

We have acted as special counsel to Central Valley Energy Authority (the "Issuer") in connection with its issuance of $XXX,XXX,XXX Commodity Supply Revenue Bonds, Series 2025 (the "Bonds"). This opinion is rendered pursuant to Section 8(e)(12) of the Bond Purchase Contract, dated [BPA DATE], 2025 (the "Bond Purchase Contract"), by and between Goldman Sachs & Co. LLC (the "Underwriter") and the Issuer. Capitalized terms used and not defined in this opinion shall have the same meanings assigned to them in the Bond Purchase Contract.

As special counsel to the Authority, we have examined the following documents: (i) the Bond Purchase Contract, (ii) the Trust Indenture, dated as of January 1, 2025 (the "Indenture"), by and between the Issuer and U.S. Bank Trust Company, National Association, as Trustee; (iii) the ISDA Master Agreement, the related Schedule and the Confirmation, each dated [COMMODITY SWAP DATE], 2025 (collectively, the "CVEA Commodity Swap"), each between the Issuer and [COMMODITY SWAP COUNTERPARTY], as commodity swap counterparty (the "Commodity Swap Counterparty"); (iv) the Prepaid Commodity Sales Agreement, dated as of [_____], 2025 (the "Commodity Purchase Agreement"), between the Issuer and Aron Energy Prepay [48] LLC, a Delaware limited liability company (the "Commodity Supplier"); (v) the Commodity Supply Contract, dated as of [_____], 2025 (the "Commodity Supply Contract"), between the Issuer and the Turlock Irrigation District ("TID"), (vi) the Custodial Agreement, dated as of _____, 2025 (the CVEA Custodial Agreement"), by and among the Issuer, [U.S. Bank Trust Company, National Association], as custodian, the Trustee and the Commodity Swap Counterparty; (vii) Continuing Disclosure Agreement (the "Continuing Disclosure Agreement"), dated [Closing Date], 2025, by and among the Issuer, TID and Willdan Financial Services, as dissemination agent; (viii) the Re-Pricing Agreement, dated as of [_____], 2025 (the "Repricing Agreement"), between the Issuer and the Commodity Supplier; (ix) the SPE Master Custodial Agreement, dated as of [_____], 2025 (the "SPE Master Custodial Agreement" and, together with the Bond Purchase Contract, the Indenture, the CVEA Commodity Swap, the Commodity Supply Contract, the CVEA Custodial Agreement, the Continuing Disclosure Agreement and the Re-Pricing Agreement, the "Issuer Documents"), by and among the Issuer, the Commodity Supplier, J. Aron & Company LLC, a New York limited liability company, and The Bank of New York Mellon, as custodian; and (x) the Preliminary Official Statement dated [POS DATE], 2025 (the "Preliminary Official Statement"), and the Official Statement dated [OS DATE], 2025 (the "Official Statement"), relating to the Bonds.

In rendering this opinion, we have relied on representations and certifications of the Authority and various public officials as to matters of fact without independent investigation. In addition, we have examined such other documents and instruments and have made such investigations of law and of fact as we have deemed necessary or appropriate for the purpose of rendering the opinions set forth herein.

Based on the foregoing, we are of the opinion that:

1. The Issuer is a joint exercise of powers agency of the State of California, duly organized and existing pursuant to the provisions of the Joint Exercise of Powers Act, constituting Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the California Government Code, as amended and supplemented (the "Act"), and a joint powers agreement, dated November 26, 2024 (the "JPA Agreement"), entered into between the TID and the Walnut Energy Center Authority.

2. Resolution No. ____ of the Issuer approving and authorizing the distribution of the Preliminary Official Statement, the issuance and sale of the Bonds and the execution and delivery of the Issuer Documents and the Official Statement by the Issuer (the "Issuer Resolution") was duly adopted at a meeting of the Commission of the Issuer, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout.

3. To our knowledge as special counsel of the Issuer, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending (with service of process having been accomplished) or, to our current actual knowledge after reasonable investigation, threatened against or affecting the Issuer, in any way contesting or affecting the validity of the Issuer Documents.

4. The adoption of the Issuer Resolution and the execution and delivery of the Issuer Documents and the Official Statement by the Issuer, and compliance by the Issuer with the provisions of the foregoing, as appropriate, under the circumstances contemplated thereby, does not and will not in any material respect conflict with or constitute on the part of the Issuer a material breach or default under any agreement or other instrument to which the Issuer is a party (and of which we have current actual knowledge after reasonable investigation) or by which it is bound (and of which we have current actual knowledge after reasonable investigation) or any existing law, regulation, court order or consent decree to which the Issuer is subject.

5. The Issuer Documents and the Official Statement have been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery of the Issuer Documents by other parties thereto, the Issuer Document constitute legal, valid and binding agreements of the Issuer, enforceable in accordance with their respective terms.

6. Except as described in the Preliminary Official Statement and in the Official Statement, no authorization, approval, consent, or other order of the State of California or

any other governmental authority or agency within the State of California having jurisdiction over the Issuer is required for the valid authorization, execution and delivery by the Issuer of the Issuer Documents and the Official Statement and the performance by the Issuer of its obligations under the Issuer Documents, which has not been obtained, provided that no opinion is expressed with respect to qualification under Blue Sky or other state securities laws.

This letter is furnished by us as special counsel to the Issuer. No attorney-client relationship has existed or exists between our firm and yourselves (other than the Issuer) in connection with the Bonds or by virtue of this letter. This letter is delivered to you as Underwriter for the Bonds and is solely for your benefit as such Underwriter and is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person.

The opinions expressed herein are based upon our analysis and interpretation of existing laws, regulations, rulings and judicial decisions and cover certain matters not directly addressed by such authorities. With respect to the opinions expressed herein, the rights and obligations under the JPA Agreement and the Issuer Documents are subject to bankruptcy, insolvency, moratorium and other laws affecting the enforcement of creditors' rights, to the application of equitable principles if equitable remedies are sought, to the limitations on legal remedies against public agencies in the State of California and to limitations on rights of indemnity by principles of public policy.

By delivering this opinion, we are not expressing any opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the JPA Agreement or the Issuer Documents nor are we expressing any opinion with respect to the state or quality of title to or interest in any assets described in or as subject to the lien of the JPA Agreement or the Issuer Documents or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on any assets thereunder.

We have not been engaged, nor have we undertaken, to advise any party or to opine as to any matters not specifically covered herein, including, but not limited to, matters relating to compliance with any securities laws.

This opinion letter may be relied upon only by you and may not be circulated, quoted from or relied upon by any other party without our prior written consent. This letter is being furnished to you solely for your benefit in connection with your purchase of the Bonds and is not to be used, circulated, quoted or otherwise referred to for any other purpose without our prior written consent. No attorney-client relationship has existed or exists between our firm and you in connection with the issuance of the Bonds or by virtue of this letter. We note you were represented by separate counsel retained by you in connection with the transaction described in the Official Statement. This letter is limited to matters governed by the laws of the State of California and federal laws, and we assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction.

Our engagement with respect to the Bonds terminates as of the date hereof, and we have not undertaken any duty, and expressly disclaim any responsibility, to advise you as to events occurring after the date hereof with respect to the Bonds or other matters discussed in the Official Statement. This letter is not intended to, and may not, be relied upon by owners of the Bonds or by any other party to whom it is not addressed other than you.

Respectfully submitted,

SCHEDULE I

1. Central Valley Energy Authority
   Turlock, California

2. Goldman Sachs & Co. LLC
   New York, New York

EXHIBIT C

CENTRAL VALLEY ENERGY AUTHORITY

CERTIFICATE

The undersigned, _____, _____ of Central Valley Energy Authority (the *"Issuer"*), hereby certifies that:

1. The representations and warranties of the Issuer contained in the Bond Purchase Contract, dated [BPA DATE], 2025, by and between the Issuer and the Underwriter named therein (the *"Purchase Contract"*) with respect to the sale by the Issuer of $XXX,XXX,XXX in aggregate principal amount of its Commodity Supply Revenue Bonds, Series 2025 Bonds (the *"Bonds"*), are true, correct and complete in all material respects on and as of the Closing Date, as if made on the Closing Date.

2. No event affecting the Issuer has occurred since the date of the Official Statement which should be disclosed in the Official Statement so that the Official Statement will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and which has not been disclosed in a supplement or amendment to the Official Statement.

3. The Issuer has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to the date hereof pursuant to the Purchase Contract with respect to the issuance of the Bonds.

4. This certificate is being delivered in satisfaction of the conditions of Section 8(e)(13) of the Purchase Contract. All capitalized terms used herein which are not otherwise defined shall have the same meanings as assigned in the Purchase Contract.

CENTRAL VALLEY ENERGY AUTHORITY

By:_____
Its:_____

_____, 2025

EXHIBIT D

FORM OF NEGATIVE ASSURANCE LETTER OF STRADLING AS DISCLOSURE COUNSEL TO TURLOCK IRRIGATION DISTRICT

[Closing Date], 2025

Goldman Sachs & Co. LLC
200 West Street
New York, New York 10282

Re: $_____ Central Valley Energy Authority Commodity Supply Revenue Bonds, Series 2025

Ladies and Gentlemen:

We have acted as disclosure counsel for the Turlock Irrigation District (the "District") in connection with the issuance by the Central Valley Energy Authority (the "Authority") of the $_____ aggregate principal amount of Central Valley Energy Authority Commodity Supply Revenue Bonds, Series 2025 (the "Bonds"). All capitalized terms used herein and not defined herein shall have the meanings ascribed thereto in the Official Statement (as defined herein).

In rendering the advice contained herein, we have reviewed or examined originals or copies certified or otherwise identified to our satisfaction of: (i) the Preliminary Official Statement, dated _____, 2025 (the "Preliminary Official Statement"), relating to the Bonds; (ii) the Official Statement, dated ____ (the "Official Statement"), relating to the Bonds; and (iii) the letters, certificates, and opinions delivered pursuant to the Bond Purchase Contract, dated _____, 2025, between you and the Authority, or otherwise delivered on the date hereof in connection with the sale of the Bonds. We do not assume any responsibility for any electronic versions of the Preliminary Official Statement and the Official Statement and for all purposes of this letter, we have assumed that any electronic versions of the Preliminary Official Statement and the Official Statement conform in all respects to the printed versions of the Preliminary Official Statement and the Official Statement.

The conclusions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such conclusions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform you or any other person, whether any such actions are taken or omitted or whether such events do occur or any other matters come to our attention after the date hereof. We have assumed, but not independently verified, that the signatures on all documents, letters, opinions and certificates which we have examined are genuine, that all documents submitted to us are authentic and were duly and properly executed by the parties thereto and that all representations made in the documents that we have reviewed are

true and accurate. We have assumed, without independent verification, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in any opinions referenced in the Preliminary Official Statement and the Official Statement.

By delivering this letter, we are not expressing any opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in any document referenced in the Preliminary Official Statement or the Official Statement, nor are we expressing any opinion with respect to the state or quality of title to or interest in any assets described in or as subject to the lien of the Indenture or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on any assets thereunder. Our services as disclosure counsel to the District did not involve the rendering of financial or other non-legal advice to you, the District, the Authority or any other party to the transaction.

Although we have not undertaken to determine independently or verify and are not passing upon and do not assume responsibility for, the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement or the Official Statement, and are therefore unable to make any representation to you in that regard, we have participated in conferences prior to the date of the Official Statement with representatives of the Authority and the District including the Authority's and the District's municipal advisor PFM Financial Advisors LLC, representatives of the Underwriter, including Underwriter's Counsel, Chapman and Cutler LLP, representatives of J. Aron and the Commodity Supplier, including Sheppard, Mullin, Richter & Hampton LLP, as special counsel to the Commodity Supplier and to J. Aron, and others, during which conferences the contents of the Preliminary Official Statement and the Official Statement and related matters were discussed. Based upon the information made available to us in the course of our participation in such conferences as disclosure counsel to the District, our review of the documents referred to above, our reliance on the oral and written statements of the representatives of the District and others, the documents, certificates, instructions and records and the opinions of counsel described above and our understanding of applicable law, and subject to the limitations on our role as disclosure counsel to the District, we advise you as a matter of fact but not opinion that no information has come to the attention of the attorneys in our firm performing services for the District as disclosure counsel on this matter which caused us to believe that: (a) the information in the Preliminary Official Statement under the caption "INTRODUCTION – The Project Participant" and in "APPENDIX A – CERTAIN INFORMATION REGARDING TURLOCK IRRIGATION DISTRICT," as of the date of the Preliminary Official Statement or as of _____, 2025, contained any untrue statement of a material fact, or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect (except that we express no view with respect to: (i) the expressions of opinion, the assumptions, the projections, estimates and forecasts, the charts, the financial statements or other financial, numerical, economic, demographic or statistical data contained in the Preliminary Official Statement; (ii) any information contained in the appendices to the Preliminary Official Statement other than Appendix A; (iii) any information incorporated by reference into the Preliminary Official Statement; and (iv)

information permitted to be omitted therefrom pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended), and (b) the information in the Official Statement under the caption "INTRODUCTION – The Project Participant" and in "APPENDIX A – CERTAIN INFORMATION REGARDING TURLOCK IRRIGATION DISTRICT," as of the date of the Official Statement contained, or as of the date hereof contains, any untrue statement of a material fact, or as of the date of the Official Statement omitted, or as of the date hereof omits, to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect (except that we express no view with respect to: (i) the expressions of opinion, the assumptions, the projections, estimates and forecasts, the charts, the financial statements or other financial, numerical, economic, demographic or statistical data contained in the Official Statement; (ii) any information contained in the appendices to the Official Statement other than Appendix A; and (iii) any information incorporated by reference into the Official Statement). Finally, we advise you that, other than reviewing the various certificates and opinions referenced above, we have not taken any steps since the date of the Official Statement to verify the accuracy of the statements contained in the Preliminary Official Statement or the Official Statement as of the date hereof. No responsibility is undertaken or opinion rendered with respect to any other disclosure document, materials or activity, or as to any information from another document or source referred to by, or incorporated by reference in, the Preliminary Official Statement or the Official Statement.

By acceptance of this letter you recognize and acknowledge that: (i) the negative assurance above is not an opinion and is based on certain limited activities performed by specific attorneys in our firm in our role as disclosure counsel to the District; (ii) the scope of the activities performed by such attorneys in our role as disclosure counsel to the District and for purposes of delivering such negative assurances were inherently limited and do not purport to encompass all activities necessary for compliance by you or others in accordance with applicable state and federal securities laws; and (iii) the activities performed by such attorneys in our role as disclosure counsel to the District rely in part by representations, warranties, certifications and opinions of other parties to the transaction, including representations, warranties and certifications made by the District.

This letter is being furnished to you solely for your benefit in connection with your purchase of the Bonds and is not to be used, circulated, quoted or otherwise referred to for any other purpose without our prior written consent. No attorney-client relationship has existed or exists between our firm and you in connection with the issuance of the Bonds or by virtue of this letter. We note you were represented by separate counsel retained by you in connection with the transaction described in the Preliminary Official Statement and the Official Statement. This letter is limited to matters governed by the laws of the State of California and federal securities laws, and we assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction.

Our engagement as disclosure counsel to the District with respect to this transaction terminates as of the date hereof, and we have not undertaken any duty, and expressly disclaim any responsibility, to advise you as to events occurring after the date hereof with respect to the Bonds or other matters discussed in the Preliminary Official Statement or the Official Statement. This letter is not intended to, and may not, be relied upon by owners of the Bonds, the owners of any beneficial ownership interest in the Bonds or by any other party to whom it is not addressed.

Respectfully submitted,

EXHIBIT E

FORM OF NEGATIVE ASSURANCE LETTER OF STRADLING AS DISCLOSURE COUNSEL TO CENTRAL VALLEY ENERGY AUTHORITY

[Closing Date], 2025

Goldman Sachs & Co. LLC
200 West Street
New York, NY 10282

Re: $_____ Central Valley Energy Authority Commodity Supply Revenue Bonds, Series 2025

Ladies and Gentlemen:

We have acted as disclosure counsel for the Central Valley Energy Authority (the "Authority") in connection with the issuance of the above-referenced bonds (the "Bonds"). The Bonds are being purchased by you, as underwriter of the Bonds. All capitalized terms used herein and not defined herein shall have the meanings ascribed thereto in the Official Statement referenced below.

In rendering the advice contained herein, we have reviewed or examined originals or copies certified or otherwise identified to our satisfaction of: (i) the Preliminary Official Statement, dated ____, 2025 (the "Preliminary Official Statement"), relating to the Bonds; (ii) the Official Statement, dated ____, 2025 (the "Official Statement"), relating to the Bonds; and (iii) the letters, certificates, and opinions delivered pursuant to the Bond Purchase Contract, dated _____, 2025, between you and the Authority, or otherwise delivered on the date hereof in connection with the sale of the Bonds. We do not assume any responsibility for any electronic versions of the Preliminary Official Statement and the Official Statement and for all purposes of this letter, we have assumed that any electronic versions of the Preliminary Official Statement and the Official Statement conform in all respects to the printed versions of the Preliminary Official Statement and the Official Statement.

We note that Sheppard, Mullin, Richter & Hampton LLP, as special counsel to the Commodity Supplier and to J. Aron, and as the firm primarily responsible for preparing the documents referenced therein, delivered an opinion, dated the date hereof, to the Authority.

The conclusions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such conclusions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform you or any other person, whether any such actions are taken or omitted or whether such events do occur or any other matters come to

our attention after the date hereof. We have assumed, but not independently verified, that the signatures on all documents, letters, opinions and certificates which we have examined are genuine, that all documents submitted to us are authentic and were duly and properly executed by the parties thereto and that all representations made in the documents that we have reviewed are true and accurate. We have assumed, without independent verification, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in any opinions referenced in the Preliminary Official Statement and the Official Statement.

By delivering this letter, we are not expressing any opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in any document referenced in the Preliminary Official Statement or the Official Statement, nor are we expressing any opinion with respect to the state or quality of title to or interest in any assets described in or as subject to the lien of the Indenture or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on any assets thereunder. Our services as disclosure counsel to the Authority did not involve the rendering of financial or other non-legal advice to you, the Authority or any other party to the transaction.

Although we have not undertaken to determine independently or verify and are not passing upon and do not assume responsibility for, the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement or the Official Statement, and are therefore unable to make any representation to you in that regard, we have participated in conferences prior to the date of the Official Statement with representatives of the Authority and the Turlock Irrigation District (the "District"), including the Authority's and the District's municipal advisor, PFM Financial Advisors LLC, representatives of the Underwriter, including Underwriter's Counsel, Chapman and Cutler LLP, representatives of J. Aron and the Commodity Supplier, including Sheppard, Mullin, Richter & Hampton LLP, as special counsel to the Commodity Supplier and to J. Aron, and others, during which conferences the contents of the Preliminary Official Statement and the Official Statement and related matters were discussed. Based upon the information made available to us in the course of our participation in such conferences as disclosure counsel to the Authority, our review of the documents referred to above, our reliance on the oral and written statements of the representatives of the Authority and others, the documents, certificates, instructions and records and the opinions of counsel described above and our understanding of applicable law, and subject to the limitations on our role as disclosure counsel to the Authority, we advise you as a matter of fact but not opinion that no information has come to the attention of the attorneys in our firm performing services for the Authority as disclosure counsel on this matter which caused us to believe that: (a) the Preliminary Official Statement as of its date or as of ____, 2025, contained any untrue statement of a material fact, or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect (except that we express no view with respect to: (i) the expressions of opinion, the assumptions, the projections, estimates and forecasts, the charts, the financial statements or other financial, numerical, economic, demographic or statistical data contained in the Preliminary Official Statement; (ii) any CUSIP numbers or information relating thereto; (iii) any information with respect to The Depository Trust Company

and its book-entry system; (iv) any information regarding the Commodity Supplier, Funding Recipient, J. Aron, The Goldman Sachs Group, Inc., the Commodity Swap Counterparty, any investment agreement providers or any investment agreements; (v) any information contained in the appendices to the Preliminary Official Statement; (vi) any information incorporated by reference into the Preliminary Official Statement; (vii) any information with respect to the underwriter or underwriting matters with respect to the Bonds, including but not limited to information under the caption "UNDERWRITING"; (viii) any information with respect to the ratings on the Bonds and the rating agencies referenced therein, including but not limited to information under the caption "RATING"); and (ix) information permitted to be omitted therefrom pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended), and (b) the Official Statement as of its date contained, or as of the date hereof contains, any untrue statement of a material fact, or as of its date omitted, or as of the date hereof omits, to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect (except that we express no view with respect to: (i) the expressions of opinion, the assumptions, the projections, estimates and forecasts, the charts, the financial statements or other financial, numerical, economic, demographic or statistical data contained in the Official Statement; (ii) any CUSIP numbers or information relating thereto; (iii) any information with respect to The Depository Trust Company and its book-entry system; (iv) any information regarding the Commodity Supplier, Funding Recipient, J. Aron, The Goldman Sachs Group, Inc., the Commodity Swap Counterparty, any investment agreement providers or any investment agreements, (v) any information contained in the appendices to the Official Statement; (vi) any information incorporated by reference into the Official Statement; (vii) any information with respect to the underwriter or underwriting matters with respect to the Bonds, including but not limited to information under the caption "UNDERWRITING"; and (viii) any information with respect to the ratings on the Bonds and the rating agencies referenced therein, including but not limited to information under the caption "RATING"). Finally, we advise you that, other than reviewing the various certificates and opinions referenced above, we have not taken any steps since the date of the Official Statement to verify the accuracy of the statements contained in the Preliminary Official Statement or the Official Statement as of the date hereof. No responsibility is undertaken or opinion rendered with respect to any other disclosure document, materials or activity, or as to any information from another document or source referred to by, or incorporated by reference in, the Preliminary Official Statement or the Official Statement.

By acceptance of this letter you recognize and acknowledge that: (i) the negative assurance above is not an opinion and is based on certain limited activities performed by specific attorneys in our firm in our role as disclosure counsel to the Authority; (ii) the scope of the activities performed by such attorneys in our role as disclosure counsel to the Authority and for purposes of delivering such negative assurances were inherently limited and do not purport to encompass all activities necessary for compliance by you or others in accordance with applicable state and federal securities laws; and (iii) the activities performed by such attorneys in our role as disclosure counsel to the Authority rely in part by representations, warranties, certifications and opinions of other parties to the transaction, including representations, warranties and certifications made by the Authority.

This letter is being furnished to you solely for your benefit in connection with your purchase of the Bonds and is not to be used, circulated, quoted or otherwise referred to for any other purpose without our prior written consent. No attorney-client relationship has existed or exists between our firm and you in connection with the issuance of the Bonds or by virtue of this letter. We note you were represented by separate counsel retained by you in connection with the transaction described in the Preliminary Official Statement and the Official Statement. This letter is limited to matters governed by the laws of the State of California and federal securities laws, and we assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction.

Our engagement as disclosure counsel to the Authority with respect to this transaction terminates as of the date hereof, and we have not undertaken any duty, and expressly disclaim any responsibility, to advise you as to events occurring after the date hereof with respect to the Bonds or other matters discussed in the Preliminary Official Statement or the Official Statement. This letter is not intended to, and may not, be relied upon by owners of the Bonds, the owners of any beneficial ownership interest in the Bonds or by any other party to whom it is not addressed.

Respectfully submitted

EXHIBIT F

FORMS OF OPINION OF COUNSEL TO THE COMMODITY SUPPLIER AND J. ARON

[FORM OF OPINION OF IN-HOUSE COUNSEL TO J. ARON]

Central Valley Energy Authority
333 East Canal Drive
Turlock, CA 95381

Goldman Sachs & Co. LLC
200 West Street, 33rd Floor
New York, NY 10282

U.S. Bank Trust Company,
National Association, as trustee (the "Trustee")
2 Concourse Pkwy NE, Suite 800
Atlanta, GA 30328

Aron Energy Prepay __ LLC
c/o J. Aron & Company LLC
200 West Street
New York, NY 10282

[____], 2025

Re: Central Valley Energy Authority
Commodity Supply Revenue Bonds, Series 2025

Ladies and Gentlemen:

I am a Managing Director and Associate General Counsel of Goldman Sachs & Co. LLC ("Goldman Sachs"), a limited liability company formed under the laws of the State of New York. This opinion is being rendered to you on behalf of J. Aron & Company LLC, a limited liability company formed under the laws of the State of New York and an affiliate of Goldman Sachs ("J. Aron"), in satisfaction of the requirements of the Bond Purchase Contract, dated as of [____], 2025, by and between Goldman Sachs and Central Valley Energy Authority, a joint powers authority and public entity organized under the laws of the State of California (the "Issuer"), providing for the issuance and sale by the Issuer of the [Commodity Supply Revenue Bonds, Series 2025]. I or a member of the legal department of Goldman Sachs under my supervision have examined the Commodity Purchase, Sale and Service Agreement, dated as of [____], 2025, by and between J. Aron and Aron Energy Prepay 48 LLC, a limited liability company formed under the laws of the State of Delaware (the "Agreement"), but I have not examined and express no opinion regarding the terms and conditions of any transactions thereunder or the Bond Purchase Contract referenced above or any transactions thereunder. In addition, I or a member of the legal department of Goldman Sachs under my supervision have examined such corporate records, certificates and other such documents, and we have considered such questions of law, as we have considered necessary or appropriate for the purposes of this opinion, and on the basis of such examination, I advise you that, in my opinion:

1. J. Aron is validly existing as a limited liability company under the laws of the State of New York.
2. The Agreement has been duly authorized and executed by J. Aron.

3. The execution, delivery and performance of the terms by J. Aron of the Agreement will not violate any of the provisions of the limited liability company agreement of J. Aron as in effect on the date hereof.

In delivering the foregoing opinions, I express no opinion other than as to the laws of the State of Illinois. Insofar as the opinions expressed in Paragraph 1 above relate to matters that are governed by the laws of the State of New York, I have assumed New York State law is the same as the laws of the State of Illinois.

With your approval, insofar as my opinion involves factual matters, I have relied on representations included in the agreements referred to herein, certificates of officers of Goldman Sachs and its affiliates and certificates of public officials and other sources believed by me to be responsible. I have assumed that the signatures on all documents examined by me (or members of the legal department of Goldman Sachs and certain of its affiliates) are genuine, an assumption which I have not independently verified.

This opinion is solely for the benefit of the addressees and may not be relied upon by, or disclosed or provided to, any other person without my prior written consent.

Very truly yours,

[FORM OF OPINION OF SHEPPARD MULLIN AS SPECIAL COUNSEL
TO COMMODITY SUPPLIER RE COMMODITY SWAP]

[Closing Date], 2025

Goldman Sachs & Co. LLC
200 West Street, 33rd Floor
New York, NY 10282

Ladies and Gentlemen:

We have acted as special New York counsel to Aron Energy Prepay 48 LLC, a Delaware limited liability company (the "***Company***"), in connection with that certain ISDA Master Agreement (including the Schedule thereto and the Credit Support Annex to the Schedule), dated as of [____], 2025 between BP Energy Company, a Delaware corporation ("***Counterparty***"), and the Company (the "***ISDA Master Agreement***"), as supplemented by that certain Confirmation dated [____], 2025 (the "***Confirmation***"), between Counterparty and the Company (the "***Agreement***").

We are rendering this opinion letter to you at the request of the Company in connection with the transactions contemplated by that certain Bond Purchase Contract (the "***Bond Purchase Contract***") dated as of [____], 2025 by and between Central Valley Energy Authority, a joint powers authority organized and existing pursuant to the laws of the State of California (the "***Issuer***"), and Goldman Sachs & Co. LLC, a New York limited liability company, as underwriter (the "***Underwriter***"), providing for the issuance and sale by the Issuer to the Underwriter of [Commodity Supply Revenue Bonds, Series 2025] (the "***Bonds***"). Capitalized terms used herein shall, unless otherwise provided herein, have the respective meanings set forth in the applicable Agreement.

Scope of Examination and
General Assumptions

We have been furnished with an executed copy of the Agreement and originals or copies, certified or otherwise identified to our satisfaction, of all such other documents as we have deemed necessary or desirable as a basis for the opinion hereinafter expressed. As to various matters of fact relevant to this opinion letter, we have, without independent verification, relied upon, and assumed the accuracy and completeness of, the representations and warranties of the Company made in the Agreement.

For purposes of this opinion letter, we have assumed with your consent (a) the genuineness of all signatures, (b) the authenticity and completeness of all documents submitted to us as originals, (c) the conformity to original documents of all documents submitted to us as copies,

(d) the authenticity and completeness of the originals of the documents referred to in the immediately preceding clause (c), (e) the prompt and proper recordation of any such documents for which recordation is anticipated, (f) the legal capacity of natural persons signing such documents on behalf of the parties thereto, (g) that the laws of any jurisdiction other than the jurisdictions that are the subject of this opinion letter do not affect the plain meaning of the terms of such documents and (h) the correctness and accuracy of all the representations and warranties and certificates upon which we have relied, as described above. In addition, we have assumed with your consent (i) that each party to such documents is duly formed or organized, validly existing and in good standing under the laws of the state of its formation or organization and has the full power, authority, and legal right to enter into and perform its obligations under all agreements to which it is a party, (j) that such documents have been duly authorized, executed, and delivered by each party thereto, (k) that the execution and delivery by each party of, and performance of its agreements in, such documents do not (A) violate such party's formation or organization documents, (B) breach or result in a default under any existing obligation of such party under any agreements, contracts, or instruments to which such party is a party or is otherwise subject or under any order, writ, injunction, or decree of any court applicable to such party, or (C) violate or contravene any law, statute, rule or regulation applicable to such party, (l) that all required orders, consents, approvals, licenses, authorizations, validations, filings, recordings, and registrations with, or exemptions by, all governmental authorities have been obtained and remain in full force and effect for the execution, delivery, and performance of its obligations under such documents by each party thereto, (m) that each such document constitutes the valid, binding, and enforceable agreement of all the parties thereto (other than the Company, to the extent herein opined), and (n) that each of the Company and Counterparty is an "eligible contract participant" as such term is defined in Section 1a(18) of the Commodity Exchange Act and the regulations thereunder and the regulatory interpretations thereof. We assume that no transaction has been entered, or will be entered, under the ISDA Master Agreement other than the transaction evidenced by the Confirmation. Without limiting the foregoing, we express no opinion as to the formation, existence, good standing or qualification of the Company.

We also have assumed that the parties to the Agreement have not entered into any agreements of which we are unaware that modify the terms of the Agreement and have not otherwise expressly or by implication waived, or agreed to any modification of, any provision of the Agreement.

This opinion letter is limited solely to matters governed by the laws of the State of New York in effect on the date hereof and as applied by courts located in the State of New York without regard to choice of law and to the federal laws of the United States of America as applied by a federal court sitting in the State of New York (as further defined hereinafter, the "***Applicable Laws***") and we express no opinion as to questions concerning any other laws or the laws of any other jurisdiction (including, without limitation, any laws of any other jurisdiction which might be referenced by the choice-of-law rules of the Applicable Laws).

Specific Limitations and Qualifications on
Opinion

With respect to our opinion set forth below, we advise you that:

1. Our opinion is subject to (a) the effects of (i) applicable bankruptcy, insolvency, reorganization, fraudulent transfer, moratorium, rearrangement, liquidation, conservatorship, or similar laws of general application now or hereafter in effect relating to or affecting the rights of creditors generally, (ii) general principles of equity (whether considered in a proceeding at law or in equity) including the availability of specific performance and injunctive relief and concepts of materiality, reasonableness, good faith and fair dealing, and the discretion of the court before which a proceeding is brought and (iii) any statutory or other law or rule of law regarding preferential or fraudulent transfers, conveyances, and obligations or equitable subordination and (b) the application of an implied covenant of good faith and fair dealing and other standards of "good faith" under New York law.

2. Our opinion is also subject to the qualification that certain provisions of the Agreement may not be enforceable; nevertheless, subject to the other limitations set forth in this opinion letter, such unenforceability will not in our judgment render such Agreement invalid as a whole.

3. We express no opinion as to the validity, binding effect or enforceability of any provision of the Agreement to the extent that such provisions: (a) purport to waive or affect any rights to notices required by law and that are not subject to waiver; (b) purport to waive trial by jury; (c) state that any party's failure or delay in exercising rights, powers, privileges or remedies under the Agreement shall not operate as a waiver thereof; (d) purport to indemnify a party, or waive or release any claims against a party, for violations of federal or state securities laws or environmental laws, for claims that arise in strict liability or to the extent of obligations that arise from or are a result of such party's own fraud, negligence or willful misconduct, or otherwise to the extent that such indemnification, waiver or release is inconsistent with public policy; (e) purport to establish or satisfy factual standards or conditions to be met by any party to satisfy applicable law, or to define what is commercially reasonable behavior, or to establish any standard as the measure of any party's obligation of good faith, diligence or reasonableness of care; (f) purport to sever unenforceable provisions from the Agreement, to the extent that the enforcement of remaining provisions would frustrate the fundamental intent of the parties to such documents; (g) restrict access to legal or equitable remedies; (h) purport to waive any claim against any party arising out of, or in any way related to, future conduct or events under the Agreement; (i) purport to allow any party discretion as to how to apply payments made by another party, or other proceeds or property of another party; (j) purport to provide remedies in respect of non-material defaults, or that are not necessary for the reasonable protection of the non-defaulting parties; (k) purport to create conclusive presumptions or provide that decisions or determinations by any person are conclusive without consent of the Company or may be made in any person's sole discretion; (l) purport to waive vaguely or broadly stated rights or unknown future rights; (m) purport to provide that rights and remedies are not exclusive, that every right or remedy is cumulative and may be exercised in addition to or with any other right or remedy or that the election of some particular remedy or remedies does not preclude recourse to one or more others; (n) purport to establish liability limitations with respect to third parties or rights of third parties to enforce provisions of the Agreement; (o) purport to establish payment obligations for liquidated damages or for other amounts in respect of breach or prepayment that may be construed as penalties or forfeitures; or (p) purport to preserve absolute and unconditional rights of a party irrespective of the lack of validity or enforceability of any underlying obligations or to discharge defenses available to a party as a matter of law. In addition, we express no opinion as to whether

the Agreement may be construed to include obligations subject to regulation by the Commodity Futures Trading Commission, as to the status of any party to the Agreement as an 'eligible contract participant' within the meaning of Section 1a(18) of the Commodity Exchange Act and the rules and regulations thereunder or as to the effect of such status (or lack thereof) on our opinion herein.

4. We express no opinion as to: (a) whether a court would grant specific performance or any other equitable remedy with respect to enforcement of any provision contained in the Agreement; (b) broadly stated waivers of suretyship defenses, presentment, protest, demand, notice, appraisement, valuation, stay, extension, moratorium, redemption or other rights granted by law to the extent such waivers are held to be against public policy or prohibited by law; (c) the enforceability of any provision in the Agreement that purport to appoint an agent for service of process or establish or otherwise affect jurisdiction, venue, evidentiary standards, limitation periods or procedural rights in any suit or other proceeding; (d) the enforceability of any provision in the Agreement that purport to waive, subordinate, or otherwise restrict, delay or deny access to rights, benefits, claims, causes of action, any statute of limitations, or remedies that cannot be waived, subordinated, or otherwise restricted, delayed or denied; (e) the enforceability of any provision in the Agreement that allow any party to exercise any remedies without notice to the person or entity signatory thereto or bound thereby; (f) the enforceability of any provision contained in the Agreement relating to a power of attorney or the appointment of a receiver; (g) the effect of the law of any jurisdiction wherein any party may be located or wherein the enforcement of the Agreement may be sought that limits any rates of interest legally chargeable or collectible; (h) the enforceability of any provision in the Agreement granting to any party thereto any right of setoff without notice or otherwise beyond that provided by law; or (i) the enforceability of any provision in the Agreement requiring written amendments or waivers of such documents insofar as it suggests that oral or other modifications, amendments, or waivers could not effectively be agreed upon by the parties or that the doctrine of promissory estoppel might not apply.

5. We express no opinion regarding the enforceability of any documents or agreements other than the Agreement, whether or not referenced in or attached to the Agreement.

6. We express no opinion as to the creation, perfection or effect of perfection of any lien or security interest purported to be created under the Agreement.

7. Except to the extent made enforceable by New York General Obligations Law Section 5-1401 and NY CPLR 327(b), as applied by a New York state court or a United States federal court sitting in New York and applying New York choice of law principles, including principles of public policy, comity and constitutionality, we express no opinion as to any provision relating to choice of governing law contained in the Agreement.

8. We express no opinion herein as to (a) the effect of the Wall Street Transparency and Accountability Act of 2010 (the "***Dodd Frank Act***") on the legality, validity, binding effect, or enforceability of the Agreement, the applicability of the Dodd Frank Act or the regulations thereunder to the transaction evidenced by the Confirmation or the effect of non-compliance with any applicable requirements on the enforceability of the Agreement, (b) whether, in applying general principles of equity, a court might decline to enforce the conditions set forth

in Section 2(a)(iii) of the ISDA Master Agreement if the condition were invoked in connection with a termination event deemed immaterial, (c) the effectiveness of the restrictions or conditions to transfer set out in Section 7 of the ISDA Master Agreement to the extent that such restrictions or conditions are subject to Section 9-406 or 9-408 of the UCC as in effect in the State of New York, (d) the enforceability of Section 8 of the ISDA Master Agreement (including without limitation the indemnities therein), or (e) the characterization of the Agreement or the transaction evidenced by the Confirmation as a "swap agreement" or other type of qualified financial contract for purposes of the Bankruptcy Code (11 U.S.C. sections 101 et. seq.).

Specific Limitations and Qualifications on
Scope of Applicable Laws

Our opinion is expressed only with respect to those Applicable Laws that a lawyer in New York exercising customary professional diligence would reasonably recognize as being applicable generally to obligors in transactions of the type contemplated by the Agreement. Except as may be expressly opined herein, no opinion is expressed as to any Applicable Laws that may apply to the Company solely by virtue of any specific business in which it may be engaged or any property that it may own.

In addition, we express no opinion as to (and the term "***Applicable Laws***" as used herein does not include) the following: (a) federal securities laws and regulations administered by the Securities and Exchange Commission (including regulation of investment companies and investment advisors), state "Blue Sky" laws and regulations, Federal Reserve Board margin regulations (including Regulation U) and laws and regulations administered by the Commodity Futures Trading Commission or otherwise relating to commodity (and other) futures and indices and other similar instruments; (b) labor, pension and employee rights and benefit laws and regulations; (c) antitrust and unfair competition laws and regulations; (d) compliance with fiduciary duty requirements; (e) bankruptcy, insolvency, fraudulent conveyances and voidable transfer laws; (f) laws and regulations regarding pollution or protection of the environment; (g) zoning, land use, building and construction laws and regulations; (h) tax laws and regulations; (i) antifraud laws and regulations; (j) laws (including Executive Orders), regulations, and policies concerning foreign asset or trading controls, national security, national and local emergencies, terrorism or money laundering; (k) deference to acts of sovereign states (including foreign governmental actions or laws affecting creditors' rights); (l) laws and regulations concerning racketeering (i.e., RICO), criminal or civil forfeitures and other criminal acts (e.g., mail fraud and wire fraud statutes); (m) public utility laws and regulations and similar laws relating to regulation of communication, telecommunication, aviation, shipping, transportation and similar public services or the transmission of energy, power or gas; (n) patent, copyright, trademark and other intellectual property laws and regulations; (o) health, occupational and safety laws and regulations; (p) the Dodd-Frank Act and other laws and regulations, whether federal or state, relating to the regulation of banks, investment companies, insurance companies and other financial institutions; (q) domestic relations laws, marital laws, inheritance and estate laws, consumer protection laws and other laws relating to individuals; (r) laws and regulations relating to corrupt practices (including the Foreign Corrupt Practices Act); (s) laws and regulations concerning foreign investment in the United States; (t) food and drug laws and regulations (including the regulation of narcotics) and healthcare laws and regulations; (u) usury laws; (v) privacy laws and regulations; (w) the Hague Securities Convention, (x) laws and regulations relating to immigration and

naturalization, (y) the statutes and ordinances, the administrative decisions, and the rules and regulations of counties, towns, municipalities, and special political subdivisions (whether created or enabled through legislative action at the federal, state, or regional level); or (z) judicial decisions to the extent that they deal with any of the foregoing.

Opinion

Based upon the foregoing, and subject to the qualifications set forth herein, we are of the opinion that the Agreement constitutes the valid and binding obligation of the Company and is enforceable against the Company in accordance with its terms.

Reliance

This opinion (a) has been furnished to you at your request, and we consider it to be a confidential communication that may not be furnished, reproduced, distributed or disclosed to anyone without our prior written consent, provided that this opinion may be referred to in the Bond Purchase Contract and may be included in the transcript of closing documents for the Bonds, (b) is rendered solely for your information and assistance in connection with the Agreement, and may not be relied upon by any other person or for any other purpose without our prior written consent, (c) is rendered as of the date hereof, and (d) is limited to the matters stated herein and no opinions may be inferred or implied beyond the matters expressly stated herein. We express no opinion as to, and assume no responsibility for, the effect of any fact or circumstance occurring, or of which we become aware, subsequent to the date of this letter including, without limitation, legislative and other changes in the law or changes in circumstances affecting the Company. We undertake no, and hereby disclaim any, obligation to advise you of any such facts or circumstances of which we become aware, regardless of whether or not they affect the opinion herein.

This opinion letter and the opinions it contains shall be interpreted in accordance with the Core Opinion Principles as published in 74 *Business Lawyer* 815 (Summer 2019).

Sincerely,

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

[FORM OF OPINION OF SHEPPARD MULLIN AS SPECIAL COUNSEL TO COMMODITY SUPPLIER]

[Closing Date], 2025

Central Valley Energy Authority
333 East Canal Drive
Turlock, CA 95381

U.S. Bank Trust Company,
National Association, as trustee (the "***Trustee***")
2 Concourse Pkwy NE, Suite 800
Atlanta, GA 30328

Goldman Sachs & Co. LLC
200 West Street, 33rd Floor
New York, NY 10282

J. Aron & Company LLC
200 West Street
New York, NY 10282

Ladies and Gentlemen:

We have acted as special New York counsel to Aron Energy Prepay 48 LLC, a Delaware limited liability company (the "***Company***"), in connection with (a) that certain Prepaid Commodity Sales Agreement, dated as of [____], 2025 (the "***Prepay Agreement***"), between Central Valley Energy Authority, a joint powers authority organized and existing pursuant to the laws of the State of California (the "***Issuer***"), as buyer, and the Company, as seller, (b) that certain Commodity Purchase, Sale and Service Agreement (the "***CPSSA***"), dated as of [____], 2025, between J. Aron & Company LLC, a New York limited liability company, as seller, and the Company, as buyer, and (c) that certain Non-Participating Funding Agreement, dated as of [____], 2025, between Pacific Life Insurance Company, as funding recipient, and the Company, as holder (the "***Funding Agreement***", together with the Prepay Agreement and the CPSSA, the "***Agreements***"). We are rendering this opinion letter to you at the request of the Company pursuant to the requirements of the Bond Purchase Contract (the "***Bond Purchase Contract***"), dated as of [____], 2025, by and between the Issuer and Goldman Sachs & Co. LLC, a New York limited liability company, as underwriter (the "***Underwriter***"), providing for the issuance and sale by the Issuer to the Underwriter of [Commodity Supply Revenue Bonds, Series 2025] (the "***Bonds***"). Capitalized terms used herein shall, unless otherwise provided herein, have the respective meanings set forth in the Prepay Agreement.

Scope of Examination and
General Assumptions

We have been furnished with executed copies of the Agreements and originals or copies, certified or otherwise identified to our satisfaction, of all such other documents as we have deemed necessary or desirable as a basis for the opinion hereinafter expressed. As to various matters of fact relevant to this opinion letter, we have, without independent verification, relied upon, and assumed the accuracy and completeness of, the representations and warranties of the Company made in the Agreements. We note that the Funding Agreement is stated to be governed by the laws of the State of Nebraska.

For purposes of this opinion letter, we have assumed with your consent (a) the genuineness of all signatures, (b) the authenticity and completeness of all documents submitted to us as originals, (c) the conformity to original documents of all documents submitted to us as copies, (d) the authenticity and completeness of the originals of the documents referred to in the immediately preceding clause (c), (e) the prompt and proper recordation of any such documents for which recordation is anticipated, (f) the legal capacity of natural persons signing such documents on behalf of the parties thereto, (g) that the laws of any jurisdiction other than the jurisdictions that are the subject of this opinion letter do not affect the plain meaning of the terms of such documents and (h) the correctness and accuracy of all the representations and warranties and certificates upon which we have relied, as described above. In addition, we have assumed with your consent (i) that each party to such documents is duly formed or organized, validly existing and in good standing under the laws of the state of its formation or organization and has the full power, authority, and legal right to enter into and perform its obligations under all agreements to which it is a party and, in addition with respect to the Funding Agreement, that Pacific Life Insurance Company is an admitted life insurer and has obtained all licenses or other authorizations necessary to enter into the Funding Agreement and to perform its obligations thereunder and that such licenses and authorizations remain in full force and effect, (j) that such documents have been duly authorized, executed, and delivered by each party thereto, (k) that the execution and delivery by each party of, and performance of its agreements in, such documents do not (A) violate such party's formation or organization documents, (B) breach or result in a default under any existing obligation of such party under any agreements, contracts, or instruments to which such party is a party or is otherwise subject or any order, writ, injunction, or decree of any court applicable to such party, or (C) violate or contravene any law, statute, rule or regulation applicable to such party, (l) that all required orders, consents, approvals, licenses, authorizations, validations, filings, recordings, and registrations with, or exemptions by, all governmental authorities have been obtained and remain in full force and effect for the execution, delivery, and performance of its obligations under such documents by each party thereto and (m) that each such document (including, for the avoidance of doubt, the Funding Agreement) constitutes the valid, binding, and enforceable agreement of all the parties thereto (other than the Company, to the extent herein opined). Without limiting the foregoing, we express no opinion as to the formation, existence, good standing or qualification of the Company.

We also have assumed that the parties to the Agreements have not entered into any agreements of which we are unaware that modify the terms of any of the Agreements and have not

otherwise expressly or by implication waived, or agreed to any modification of, any provision of the Agreements.

This opinion letter is limited solely to matters governed by the laws of the State of New York as applied by courts located in the State of New York without regard to choice of law and to the federal laws of the United States of America as applied by a federal court sitting in the State of New York (as further defined hereinafter, the "***Applicable Laws***") and we express no opinion as to questions concerning any other laws or the laws of any other jurisdiction (including, without limitation, any laws of any other jurisdiction which might be referenced by the choice-of-law rules of the Applicable Laws and, with respect to the Funding Agreement, the laws of the State of Nebraska).

Specific Limitations and Qualifications on
Opinion

With respect to our opinion set forth below, we advise you that:

1. Our opinion is subject to (a) the effects of (i) applicable bankruptcy, insolvency, reorganization, fraudulent transfer, moratorium, rearrangement, liquidation, conservatorship, or similar laws of general application now or hereafter in effect relating to or affecting the rights of creditors generally, (ii) general principles of equity (whether considered in a proceeding at law or in equity) including the availability of specific performance and injunctive relief and concepts of materiality, reasonableness, good faith and fair dealing, and the discretion of the court before which a proceeding is brought and (iii) any statutory or other law or rule of law regarding preferential or fraudulent transfers, conveyances, and obligations or equitable subordination and (b) the application of an implied covenant of good faith and fair dealing and of other standards of "good faith" under New York law.

2. Our opinion is also subject to the qualification that certain of the provisions of the Agreements may not be enforceable; nevertheless, subject to the other limitations set forth in this opinion letter, such unenforceability will not in our judgment render such Agreements invalid as a whole.

3. We express no opinion as to the validity, binding effect or enforceability of any provision of the Agreements to the extent that such provisions: (a) purport to waive or affect any rights to notices required by law and that are not subject to waiver; (b) purport to waive trial by jury; (c) state that any party's failure or delay in exercising rights, powers, privileges or remedies under the Agreements shall not operate as a waiver thereof; (d) purport to indemnify a party, or waive or release any claims against a party, for violations of federal or state securities laws or environmental laws, for claims that arise in strict liability or to the extent of obligations that arise from or are a result of such party's own fraud, negligence or willful misconduct, or otherwise to the extent that such indemnification, waiver or release is inconsistent with public policy; (e) purport to establish or satisfy factual standards or conditions to be met by any party to satisfy applicable law, or to define what is commercially reasonable behavior, or to establish any standard as the measure of any party's obligation of good faith, diligence or reasonableness of care; (f) purport to sever unenforceable provisions from the Agreements, to the extent that the

enforcement of remaining provisions would frustrate the fundamental intent of the parties to such documents; (g) restrict access to legal or equitable remedies; (h) purport to waive any claim against any party arising out of, or in any way related to, future conduct or events under the Agreements; (i) purport to allow any party discretion as to how to apply payments made by another party, or other proceeds or property of another party; (j) purport to provide remedies in respect of non-material defaults, or that are not necessary for the reasonable protection of the non-defaulting parties; (k) purport to create conclusive presumptions or provide that decisions or determinations by any person are conclusive without consent of the Company or may be made in any person's sole discretion; (l) purport to waive vaguely or broadly stated rights or unknown future rights; (m) purport to provide that rights and remedies are not exclusive, that every right or remedy is cumulative and may be exercised in addition to or with any other right or remedy or that the election of some particular remedy or remedies does not preclude recourse to one or more others; (n) purport to establish liability limitations with respect to third parties or rights of third parties to enforce provisions of the Agreements; (o) purport to establish payment obligations for liquidated damages or for other amounts in respect of breach or prepayment that may be construed as penalties or forfeitures; or (p) purport to preserve absolute and unconditional rights of a party irrespective of the lack of validity or enforceability of any underlying obligations or to discharge defenses available to a party as a matter of law. In addition, we express no opinion as to whether the Agreements may be construed to include obligations subject to regulation by the Commodity Futures Trading Commission, as to the status of any party to the Agreements as an 'Eligible Contract Participant' within the meaning of Section 1a(18) of the Commodity Exchange Act and the rules and regulations thereunder or as to the effect of such status (or lack thereof) on our opinion herein.

4. We express no opinion as to: (a) whether a court would grant specific performance or any other equitable remedy with respect to enforcement of any provision contained in the Agreements; (b) broadly stated waivers of suretyship defenses, presentment, protest, demand, notice, appraisement, valuation, stay, extension, moratorium, redemption or other rights granted by law to the extent such waivers are held to be against public policy or prohibited by law; (c) the enforceability of any provision in the Agreements that purport to appoint an agent for service of process or establish or otherwise affect jurisdiction, venue, evidentiary standards, limitation periods or procedural rights in any suit or other proceeding; (d) the enforceability of any provisions in the Agreements that purport to waive, subordinate, or otherwise restrict, delay or deny access to rights, benefits, claims, causes of action, any statute of limitations, or remedies that cannot be waived, subordinated, or otherwise restricted, delayed or denied; (e) the enforceability of any provisions in the Agreements that allow any party to exercise any remedies without notice to the person or entity signatory thereto or bound thereby; (f) the enforceability of any provisions contained in the Agreements relating to a power of attorney or the appointment of a receiver; (g) the effect of the law of any jurisdiction wherein any party may be located or wherein the enforcement of the Agreements may be sought that limits any rates of interest legally chargeable or collectible; (h) the enforceability of any provisions in the Agreements granting to any party thereto any right of setoff without notice or otherwise beyond that provided by law; or (i) the enforceability of any provisions in the Agreements requiring written amendments or waivers of such documents insofar as it suggests that oral or other modifications, amendments, or waivers could not effectively be agreed upon by the parties or that the doctrine of promissory estoppel might not apply.

5. We express no opinion regarding the enforceability of any documents or agreements other than the Agreements, whether or not referenced in or attached to the Agreements.

6. We express no opinion as to the creation, perfection or effect of perfection of any lien or security interest purported to be created under the Agreements or in the rights of Company thereunder.

7. Except to the extent made enforceable by New York General Obligations Law Section 5-1401 and NY CPLR 327(b), as applied by a New York state court or a United States federal court sitting in New York and applying New York choice of law principles, including principles of public policy, comity and constitutionality, we express no opinion as to any provision relating to choice of governing law contained in the Prepaid Agreement or the CPSSA.

8. We express no opinion as to the enforceability of [Section 17.7] of the CPSSA concerning the provision of adequate assurance of performance in circumstances in which a court deems the demand unreasonable.

We express no opinion as to the applicability of Article 2 of the New York Uniform Commercial Code to the CPSSA or the transactions contemplated thereby.

Specific Limitations and Qualifications on
Scope of Applicable Laws

Our opinion is expressed only with respect to those Applicable Laws that a lawyer in New York exercising customary professional diligence would reasonably recognize as being applicable generally to obligors in transactions of the type contemplated by the Agreements. Except as may be expressly opined herein, no opinion is expressed as to any Applicable Laws that may apply to the Company solely by virtue of any specific business in which it may be engaged or any property that it may own.

In addition, we express no opinion as to (and the term "***Applicable Laws***" as used herein does not include) the following: (a) federal securities laws and regulations administered by the Securities and Exchange Commission (including regulation of investment companies and investment advisors), state "Blue Sky" laws and regulations, Federal Reserve Board margin regulations (including Regulation U) and laws and regulations administered by the Commodity Futures Trading Commission or otherwise relating to commodity (and other) futures and indices and other similar instruments; (b) labor, pension and employee rights and benefit laws and regulations; (c) antitrust and unfair competition laws and regulations; (d) compliance with fiduciary duty requirements; (e) bankruptcy, insolvency, fraudulent conveyances and voidable transfer laws; (f) laws and regulations regarding pollution or protection of the environment; (g) zoning, land use, building and construction laws and regulations; (h) tax laws and regulations; (i) antifraud laws and regulations; (j) laws (including Executive Orders), regulations, and policies concerning foreign asset or trading controls, national security, national and local emergencies, terrorism or money laundering; (k) deference to acts of sovereign states (including foreign governmental actions or laws affecting creditors' rights); (l) laws and regulations concerning racketeering (i.e., RICO), criminal or civil forfeitures and other criminal acts (e.g., mail fraud and

wire fraud statutes); (m) public utility laws and regulations and similar laws relating to regulation of communication, telecommunication, aviation, shipping, transportation and similar public services or the transmission of energy, power or gas; (n) patent, copyright, trademark and other intellectual property laws and regulations; (o) health, occupational and safety laws and regulations; (p) the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and other laws and regulations, whether federal or state, relating to the regulation of banks, investment companies, insurance companies and other financial institutions; (q) domestic relations laws, marital laws, inheritance and estate laws, consumer protection laws and other laws relating to individuals; (r) laws and regulations relating to corrupt practices (including the Foreign Corrupt Practices Act); (s) laws and regulations concerning foreign investment in the United States; (t) food and drug laws and regulations (including the regulation of narcotics) and healthcare laws and regulations; (u) usury laws; (v) privacy laws and regulations; (w) the Hague Securities Convention; (x) laws and regulations relating to immigration and naturalization; (y) the statutes and ordinances, the administrative decisions, and the rules and regulations of counties, towns, municipalities, and special political subdivisions (whether created or enabled through legislative action at the federal, state, or regional level); or (z) judicial decisions to the extent that they deal with any of the foregoing.

Opinion

Based upon the foregoing, and subject to the qualifications set forth below, we are of the opinion that: (i) the CPSSA constitutes the valid and binding obligations of the Company and is enforceable against the Company in accordance with its terms and (ii) assuming that the laws of the State of Nebraska are the same as the laws of the State of New York, the Funding Agreement constitutes the valid and binding obligations of the Company and is enforceable against the Company in accordance with its terms.

Reliance

This opinion (a) has been furnished at your request, and we consider it to be a confidential communication that may not be furnished, reproduced, distributed or disclosed to anyone without our prior written consent, provided that this opinion may be referred to in the Bond Purchase Contract and may be included in the transcript of closing documents for the Bonds, (b) is rendered solely for your information and assistance in connection with the Agreements, and may not be relied upon by any other person or for any other purpose, except as provided in the following paragraph, without our prior written consent, (c) is rendered as of the date hereof, and (d) is limited to the matters stated herein and no opinions may be inferred or implied beyond the matters expressly stated herein. We express no opinion as to, and assume no responsibility for, the effect of any fact or circumstance occurring, or of which we become aware, subsequent to the date of this letter including, without limitation, legislative and other changes in the law or changes in circumstances affecting the Company. We undertake no, and hereby disclaim any, obligation to advise you of any such facts or circumstances of which we become aware, regardless of whether or not they affect the opinion herein.

At your request, we hereby consent to reliance hereon by any permitted successor or assign of the Trustee under the Bond Indenture (the "***Successor Trustee***"), on the condition and

understanding that (a) this letter speaks only as of the date hereof, (b) we have no responsibility or obligation to update this letter, to consider its applicability or correctness to any person other than its addressee(s), or to take into account changes in any laws, facts, or any other developments of which we may later become aware, (c) in no event shall any such Successor Trustee have any greater rights than the original addressees of this letter on the date hereof or, in the case of a person or entity that becomes a Successor Trustee by assignment, any greater rights than its assignor, (d) any such reliance by a Successor Trustee must be actual and reasonable under the circumstances existing at the time of such Successor Trustee qualifying to rely hereon, including any changes in laws, facts, or other developments known to or reasonably knowable by the Successor Trustee at such time and (e) in furtherance and not in limitation of the foregoing, our consent to such reliance shall in no event constitute a reissuance of the opinions expressed herein or otherwise extend any statute of limitation period applicable hereto on the date hereof.

This opinion letter and the opinions it contains shall be interpreted in accordance with the Core Opinion Principles as published in 74 *Business Lawyer* 815 (Summer 2019).

Sincerely,

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

[FORM OF OPINION OF SHEPPARD MULLIN AS SPECIAL COUNSEL TO J. ARON]

[Closing Date], 2025

Central Valley Energy Authority
333 East Canal Drive
Turlock, CA 95381

U.S. Bank Trust Company,
National Association, as trustee (the "***Trustee***")
2 Concourse Pkwy NE, Suite 800
Atlanta, GA 30328

Goldman Sachs & Co. LLC
200 West Street, 33rd Floor
New York, NY 10282

Aron Energy Prepay [48] LLC
c/o J. Aron & Company LLC
200 West Street
New York, NY 10282

Ladies and Gentlemen:

We have acted as special New York counsel to J. Aron & Company LLC, a New York limited liability company (the "***Company***"), in connection with that certain Commodity Purchase, Sale and Service Agreement, dated as of [____], 2025, by and between Aron Energy Prepay 48 LLC ("***Prepay LLC***"), a Delaware limited liability company, and the Company (the "***Agreement***"). We are rendering this opinion letter to you at the request of the Company pursuant to the requirements of the Bond Purchase Contract (the "***Bond Purchase Contract***"), dated as of [____], 2025, by and between Central Valley Energy Authority, a joint powers authority organized and existing pursuant to the laws of the State of California (the "***Issuer***"), and Goldman Sachs & Co. LLC, a New York limited liability company, as underwriter (the "***Underwriter***"), providing for the issuance and sale by the Issuer to the Underwriter of [Commodity Supply Revenue Bonds, Series 2025] (the "***Bonds***"). Capitalized terms used herein shall, unless otherwise provided herein, have the respective meanings set forth in the Agreement.

Scope of Examination and
General Assumptions

We have been furnished with an executed copy of the Agreement and originals or copies, certified or otherwise identified to our satisfaction, of all such other documents as we have deemed necessary or desirable as a basis for the opinion hereinafter expressed. As to various matters of

fact relevant to this opinion letter, we have, without independent verification, relied upon, and assumed the accuracy and completeness of, the representations and warranties of the Company made in the Agreement.

For purposes of this opinion letter, we have assumed with your consent (a) the genuineness of all signatures, (b) the authenticity and completeness of all documents submitted to us as originals, (c) the conformity to original documents of all documents submitted to us as copies, (d) the authenticity and completeness of the originals of the documents referred to in the immediately preceding clause (c), (e) the prompt and proper recordation of any such documents for which recordation is anticipated, (f) the legal capacity of natural persons signing such documents on behalf of the parties thereto, (g) that the laws of any jurisdiction other than the jurisdictions that are the subject of this opinion letter do not affect the plain meaning of the terms of such documents and (h) the correctness and accuracy of all the representations and warranties and certificates upon which we have relied, as described above. In addition, we have assumed with your consent (i) that each party to such documents is duly formed or organized, validly existing and in good standing under the laws of the state of its formation or organization and has the full power, authority, and legal right to enter into and perform its obligations under all agreements to which it is a party, (j) that such documents have been duly authorized, executed, and delivered by each party thereto, (k) that the execution and delivery by each party of, and performance of its agreements in, such documents do not (A) violate such party's formation or organization documents, (B) breach or result in a default under any existing obligation of such party under any agreements, contracts, or instruments to which such party is a party or is otherwise subject or any order, writ, injunction, or decree of any court applicable to such party, or (C) violate or contravene any law, statute, rule or regulation applicable to such party, (l) that all required orders, consents, approvals, licenses, authorizations, validations, filings, recordings, and registrations with, or exemptions by, all governmental authorities have been obtained and remain in full force and effect for the execution, delivery, and performance of its obligations under such documents by each party thereto and (m) that each such document constitutes the valid, binding, and enforceable agreement of all the parties thereto (other than the Company, to the extent herein opined). Without limiting the foregoing, we express no opinion as to the formation, existence, good standing or qualification of the Company.

We also have assumed that the parties to the Agreements have not entered into any agreements of which we are unaware that modify the terms of any of the Agreements and have not otherwise expressly or by implication waived, or agreed to any modification of, any provision of the Agreements.

This opinion letter is limited solely to matters governed by the laws of the State of New York as applied by courts located in the State of New York without regard to choice of law and to the federal laws of the United States of America as applied by a federal court sitting in the State of New York (as further defined hereinafter, the "***Applicable Laws***") and we express no opinion as to questions concerning any other laws or the laws of any other jurisdiction (including, without limitation, any laws of any other jurisdiction which might be referenced by the choice-of-law rules of the Applicable Laws).

Specific Limitations and Qualifications on
Opinion

With respect to our opinion set forth below, we advise you that:

1. Our opinion is subject to (a) the effects of (i) applicable bankruptcy, insolvency, reorganization, fraudulent transfer, moratorium, rearrangement, liquidation, conservatorship, or similar laws of general application now or hereafter in effect relating to or affecting the rights of creditors generally, (ii) general principles of equity (whether considered in a proceeding at law or in equity) including the availability of specific performance and injunctive relief and concepts of materiality, reasonableness, good faith and fair dealing, and the discretion of the court before which a proceeding is brought and (iii) any statutory or other law or rule of law regarding preferential or fraudulent transfers, conveyances, and obligations or equitable subordination and (b) the application of an implied covenant of good faith and fair dealing and other standards of "good faith" under New York law.

2. Our opinion is also subject to the qualification that certain of the provisions of the Agreement may not be enforceable; nevertheless, subject to the other limitations set forth in this opinion letter, such unenforceability will not in our judgment render such Agreement invalid as a whole.

3. We express no opinion as to the validity, binding effect or enforceability of any provision of the Agreement to the extent that such provisions: (a) purport to waive or affect any rights to notices required by law and that are not subject to waiver; (b) purport to waive trial by jury; (c) state that any party's failure or delay in exercising rights, powers, privileges or remedies under the Agreement shall not operate as a waiver thereof; (d) purport to indemnify a party, or waive or release any claims against a party, for violations of federal or state securities laws or environmental laws, for claims that arise in strict liability or to the extent of obligations that arise from or are a result of such party's own fraud, negligence or willful misconduct, or otherwise to the extent that such indemnification, waiver or release is inconsistent with public policy; (e) purport to establish or satisfy factual standards or conditions to be met by any party to satisfy applicable law, or to define what is commercially reasonable behavior, or to establish any standard as the measure of any party's obligation of good faith, diligence or reasonableness of care; (f) purport to sever unenforceable provisions from the Agreement, to the extent that the enforcement of remaining provisions would frustrate the fundamental intent of the parties to such document; (g) restrict access to legal or equitable remedies; (h) purport to waive any claim against any party arising out of, or in any way related to, future conduct or events under the Agreement; (i) purport to allow any party discretion as to how to apply payments made by another party, or other proceeds or property of another party; (j) purport to provide remedies in respect of non-material defaults, or that are not necessary for the reasonable protection of the non-defaulting parties; (k) purport to create conclusive presumptions or provide that decisions or determinations by any person are conclusive without consent of the Company or may be made in any person's sole discretion; (l) purport to waive vaguely or broadly stated rights or unknown future rights; (m) purport to provide that rights and remedies are not exclusive, that every right or remedy is cumulative and may be exercised in addition to or with any other right or remedy or that the election of some particular remedy or remedies does not preclude recourse to one or more others;

(n) purport to establish liability limitations with respect to third parties or rights of third parties to enforce provisions of the Agreement; (o) purport to establish payment obligations for liquidated damages or for other amounts in respect of breach or prepayment that may be construed as penalties or forfeitures; or (p) purport to preserve absolute and unconditional rights of a party irrespective of the lack of validity or enforceability of any underlying obligations or to discharge defenses available to a party as a matter of law. In addition, we express no opinion as to whether the Agreement may be construed to include obligations subject to regulation by the Commodity Futures Trading Commission, as to the status of any party to the Agreement as an 'Eligible Contract Participant' within the meaning of Section 1a(18) of the Commodity Exchange Act and the rules and regulations thereunder or as to the effect of such status (or lack thereof) on our opinion herein.

4. We express no opinion as to: (a) whether a court would grant specific performance or any other equitable remedy with respect to enforcement of any provision contained in the Agreement; (b) broadly stated waivers of suretyship defenses, presentment, protest, demand, notice, appraisement, valuation, stay, extension, moratorium, redemption or other rights granted by law to the extent such waivers are held to be against public policy or prohibited by law; (c) the enforceability of any provisions in the Agreement that purport to appoint an agent for service of process or establish or otherwise affect jurisdiction, venue, evidentiary standards, limitation periods or procedural rights in any suit or other proceeding; (d) the enforceability of any provisions in the Agreement that purport to waive, subordinate, or otherwise restrict, delay or deny access to rights, benefits, claims, causes of action, any statute of limitations, or remedies that cannot be waived, subordinated, or otherwise restricted, delayed or denied; (e) the enforceability of any provisions in the Agreement that allow any party to exercise any remedies without notice to the person or entity signatory thereto or bound thereby; (f) the enforceability of any provisions contained in the Agreement relating to a power of attorney or the appointment of a receiver; (g) the effect of the law of any jurisdiction wherein any party may be located or wherein the enforcement of the Agreement may be sought that limits any rates of interest legally chargeable or collectible; (h) the enforceability of any provisions of the Agreement granting to any party thereto any right of setoff without notice or otherwise beyond that provided by law; (i) the enforceability of any provisions in the Agreement requiring written amendments or waivers of such documents insofar as it suggests that oral or other modifications, amendments, or waivers could not effectively be agreed upon by the parties or that the doctrine of promissory estoppel might not apply; or (j) the enforceability of any provisions in the Agreement relating to Assigned Products that are PCC1 Products and Long-Term PCC1 Products.

5. We express no opinion regarding the enforceability of any documents or agreements other than the Agreement, whether or not referenced in or attached to the Agreement.

6. We express no opinion as to the creation, perfection or effect of perfection of any lien or security interest purported to be created under the Agreement.

7. Except to the extent made enforceable by New York General Obligations Law Section 5-1401 and NY CPLR 327(b), as applied by a New York state court or a United States federal court sitting in New York and applying New York choice of law principles, including

principles of public policy, comity and constitutionality, we express no opinion as to any provision relating to choice of governing law contained in the Agreement.

8. We express no opinion as to the enforceability of Section 17.7 of the Agreement concerning the provision of adequate assurance of performance in circumstances in which a court deems the demand unreasonable.

We express no opinion as to the applicability of Article 2 of the New York Uniform Commercial Code to the Agreement or the transactions contemplated thereby.

Specific Limitations and Qualifications on
Scope of Applicable Laws

Our opinion is expressed only with respect to those Applicable Laws that a lawyer in New York exercising customary professional diligence would reasonably recognize as being applicable generally to obligors in transactions of the type contemplated by the Agreement. Except as may be expressly opined herein, no opinion is expressed as to any Applicable Laws that may apply to the Company solely by virtue of any specific business in which it may be engaged or any property that it may own.

In addition, we express no opinion as to (and the term "***Applicable Laws***" as used herein does not include) the following: (a) federal securities laws and regulations administered by the Securities and Exchange Commission (including regulation of investment companies and investment advisors), state "Blue Sky" laws and regulations, Federal Reserve Board margin regulations (including Regulation U) and laws and regulations administered by the Commodity Futures Trading Commission or otherwise relating to commodity (and other) futures and indices and other similar instruments; (b) labor, pension and employee rights and benefit laws and regulations; (c) antitrust and unfair competition laws and regulations; (d) compliance with fiduciary duty requirements; (e) bankruptcy, insolvency, fraudulent conveyances and voidable transfer laws; (f) laws and regulations regarding pollution or protection of the environment; (g) zoning, land use, building and construction laws and regulations; (h) tax laws and regulations; (i) antifraud laws and regulations; (j) laws (including Executive Orders), regulations, and policies concerning foreign asset or trading controls, national security, national and local emergencies, terrorism or money laundering; (k) deference to acts of sovereign states (including foreign governmental actions or laws affecting creditors' rights); (l) laws and regulations concerning racketeering (i.e., RICO), criminal or civil forfeitures and other criminal acts (e.g., mail fraud and wire fraud statutes); (m) public utility laws and regulations and similar laws relating to regulation of communication, telecommunication, aviation, shipping, transportation and similar public services or the transmission of energy, power or gas; (n) patent, copyright, trademark and other intellectual property laws and regulations; (o) health, occupational and safety laws and regulations; (p) the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and other laws and regulations, whether federal or state, relating to the regulation of banks, investment companies, insurance companies and other financial institutions; (q) domestic relations laws, marital laws, inheritance and estate laws, consumer protection laws and other laws relating to individuals; (r) laws and regulations relating to corrupt practices (including the Foreign Corrupt Practices Act); (s) laws and regulations concerning foreign investment in the United States; (t) food and drug laws

and regulations (including the regulation of narcotics) and healthcare laws and regulations; (u) usury laws; (v) privacy laws and regulations; (w) the Hague Securities Convention; (x) laws and regulations relating to immigration and naturalization; (y) the statutes and ordinances, the administrative decisions, and the rules and regulations of counties, towns, municipalities, and special political subdivisions (whether created or enabled through legislative action at the federal, state, or regional level); or (z) judicial decisions to the extent that they deal with any of the foregoing.

Opinion

Based upon the foregoing, and subject to the qualifications set forth below, we are of the opinion that the Agreement constitutes the valid and binding obligations of the Company and is enforceable against the Company in accordance with its terms.

Reliance

This opinion (a) has been furnished to you at your request, and we consider it to be a confidential communication that may not be furnished, reproduced, distributed or disclosed to anyone without our prior written consent, provided that this opinion may be referred to in the Bond Purchase Contract and may be included in the transcript of closing documents for the Bonds, (b) is rendered solely for your information and assistance in connection with the Agreement, and may not be relied upon by any other person or for any other purpose, except as provided in the following paragraph, without our prior written consent, (c) is rendered as of the date hereof, and (d) is limited to the matters stated herein and no opinions may be inferred or implied beyond the matters expressly stated herein. We express no opinion as to, and assume no responsibility for, the effect of any fact or circumstance occurring, or of which we become aware, subsequent to the date of this letter including, without limitation, legislative and other changes in the law or changes in circumstances affecting the Company. We undertake no, and hereby disclaim any, obligation to advise you of any such facts or circumstances of which we become aware, regardless of whether or not they affect the opinion herein.

At your request, we hereby consent to reliance hereon by any permitted successor or assign of the Trustee under the Bond Indenture (the "***Successor Trustee***"), on the condition and understanding that (a) this letter speaks only as of the date hereof, (b) we have no responsibility or obligation to update this letter, to consider its applicability or correctness to any person other than its addressee(s), or to take into account changes in any laws, facts, or any other developments of which we may later become aware, (c) in no event shall any such Successor Trustee have any greater rights than the original addressees of this letter on the date hereof or, in the case of a person or entity that becomes a Successor Trustee by assignment, any greater rights than its assignor, (d) any such reliance by a Successor Trustee must be actual and reasonable under the circumstances existing at the time of such Successor Trustee qualifying to rely hereon, including any changes in laws, facts, or other developments known to or reasonably knowable by the Successor Trustee at such time and (e) in furtherance and not in limitation of the foregoing, our consent to such reliance shall in no event constitute a reissuance of the opinions expressed herein or otherwise extend any statute of limitation period applicable hereto on the date hereof.

This opinion letter and the opinions it contains shall be interpreted in accordance with the Core Opinion Principles as published in 74 *Business Lawyer* 815 (Summer 2019).

Sincerely,

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

[FORM OF OPINION OF SHEPPARD MULLIN AS SPECIAL COUNSEL
TO COMMODITY SUPPLIER RE SUBORDINATED TERM LOAN AGREEMENT]

[Closing Date], 2025

J. Aron & Company LLC
200 West Street
New York, NY 10282

Ladies and Gentlemen:

We have acted as special New York counsel to Aron Energy Prepay 48 LLC, a Delaware limited liability company (the "***Company***"), in connection with that certain Subordinated Term Loan Agreement, dated as of [____], 2025, by and between J. Aron & Company LLC, a New York limited liability company, as lender, and the Company, as borrower (the "***Agreement***"). We are rendering this opinion letter to you at the request of the Company in connection with the Agreement. Capitalized terms used herein shall, unless otherwise provided herein, have the respective meanings set forth in the Agreement.

Scope of Examination and
General Assumptions

We have been furnished with an executed copy of the Agreement and originals or copies, certified or otherwise identified to our satisfaction, of all such other documents as we have deemed necessary or desirable as a basis for the opinion hereinafter expressed. As to various matters of fact relevant to this opinion letter, we have, without independent verification, relied upon, and assumed the accuracy and completeness of, the representations and warranties of the Company made in the Agreement.

For purposes of this opinion letter, we have assumed with your consent (a) the genuineness of all signatures, (b) the authenticity and completeness of all documents submitted to us as originals, (c) the conformity to original documents of all documents submitted to us as copies, (d) the authenticity and completeness of the originals of the documents referred to in the immediately preceding clause (c), (e) the prompt and proper recordation of any such documents for which recordation is anticipated, (f) the legal capacity of natural persons signing such documents on behalf of the parties thereto, (g) that the laws of any jurisdiction other than the jurisdictions that are the subject of this opinion letter do not affect the plain meaning of the terms of such documents and (h) the correctness and accuracy of all the representations and warranties and certificates upon which we have relied, as described above. In addition, we have assumed with your consent (i) that each party to such documents is duly formed or organized, validly existing and in good standing under the laws of the state of its formation or organization and has the full power, authority, and legal right to enter into and perform its obligations under all agreements to

which it is a party, (j) that such documents have been duly authorized, executed, and delivered by each party thereto, (k) that the execution and delivery by each party of, and performance of its agreements in, such documents do not (A) violate such party's formation or organization documents, (B) breach or result in a default under any existing obligation of such party under any agreements, contracts, or instruments to which such party is a party or is otherwise subject or any order, writ, injunction, or decree of any court applicable to such party, or (C) violate or contravene any law, statute, rule or regulation applicable to such party, (l) that all required orders, consents, approvals, licenses, authorizations, validations, filings, recordings, and registrations with, or exemptions by, all governmental authorities have been obtained and remain in full force and effect for the execution, delivery, and performance of its obligations under such documents by each party thereto and (m) that each such document constitutes the valid, binding, and enforceable agreement of all the parties thereto (other than the Company, to the extent herein opined). Without limiting the foregoing, we express no opinion as to the formation, existence, good standing or qualification of the Company.

We also have assumed that the parties to the Agreement have not entered into any agreements of which we are unaware that modify the terms of the Agreement and have not otherwise expressly or by implication waived, or agreed to any modification of, any provision of the Agreement.

This opinion letter is limited solely to matters governed by the laws of the State of New York in effect on the date hereof as applied by courts located in the State of New York without regard to choice of law and to the federal laws of the United States of America as applied by a federal court sitting in the State of New York (as further defined hereinafter, the "***Applicable Laws***") and we express no opinion as to questions concerning any other laws or the laws of any other jurisdiction (including, without limitation, any laws of any other jurisdiction which might be referenced by the choice-of-law rules of the Applicable Laws).

Specific Limitations and Qualifications on
Opinion

With respect to our opinion set forth below, we advise you that:

1. Our opinion is subject to (a) the effects of (i) applicable bankruptcy, insolvency, reorganization, fraudulent transfer, moratorium, rearrangement, liquidation, conservatorship, or similar laws of general application now or hereafter in effect relating to or affecting the rights of creditors generally, (ii) general principles of equity (whether considered in a proceeding at law or in equity) including the availability of specific performance and injunctive relief and concepts of materiality, reasonableness, good faith and fair dealing, and the discretion of the court before which a proceeding is brought and (iii) any statutory or other law or rule of law regarding preferential or fraudulent transfers, conveyances, and obligations or equitable subordination and (b) the application of an implied covenant of good faith and fair dealing and other standards of "good faith" under New York law.

2. Our opinion is also subject to the qualification that certain of the provisions of the Agreement may not be enforceable; nevertheless, subject to the other limitations set forth in this opinion letter, such unenforceability will not in our judgment render such Agreement invalid as a whole.

3. We express no opinion as to the validity, binding effect or enforceability of any provision of the Agreement to the extent that such provisions: (a) purport to waive or affect any rights to notices required by law and that are not subject to waiver; (b) purport to waive trial by jury; (c) state that any party's failure or delay in exercising rights, powers, privileges or remedies under the Agreement shall not operate as a waiver thereof; (d) purport to indemnify a party, or waive or release any claims against a party, for violations of federal or state securities laws or environmental laws, for claims that arise in strict liability or to the extent of obligations that arise from or are a result of such party's own fraud, negligence or willful misconduct, or otherwise to the extent that such indemnification, waiver or release is inconsistent with public policy; (e) purport to establish or satisfy factual standards or conditions to be met by any party to satisfy applicable law, or to define what is commercially reasonable behavior, or to establish any standard as the measure of any party's obligation of good faith, diligence or reasonableness of care; (f) purport to sever unenforceable provisions from the Agreement, to the extent that the enforcement of remaining provisions would frustrate the fundamental intent of the parties to such documents; (g) restrict access to legal or equitable remedies; (h) purport to waive any claim against any party arising out of, or in any way related to, future conduct or events under the Agreement; (i) purport to allow any party discretion as to how to apply payments made by another party, or other proceeds or property of another party; (j) purport to provide remedies in respect of non-material defaults, or that are not necessary for the reasonable protection of the non-defaulting parties; (k) purport to create conclusive presumptions or provide that decisions or determinations by any person are conclusive without consent of the Company or may be made in any person's sole discretion; (l) purport to waive vaguely or broadly stated rights or unknown future rights; (m) purport to provide that rights and remedies are not exclusive, that every right or remedy is cumulative and may be exercised in addition to or with any other right or remedy or that the election of some particular remedy or remedies does not preclude recourse to one or more others; (n) purport to establish liability limitations with respect to third parties or rights of third parties to enforce provisions of the Agreement; (o) purport to establish payment obligations for liquidated damages or for other amounts in respect of breach or prepayment that may be construed as penalties or forfeitures; or (p) purport to preserve absolute and unconditional rights of a party irrespective of the lack of validity or enforceability of any underlying obligations or to discharge defenses available to a party as a matter of law. In addition, we express no opinion as to whether the Agreement may be construed to include obligations subject to regulation by the Commodity Futures Trading Commission, as to the status of any party to the Agreement as an 'Eligible Contract Participant' within the meaning of Section 1a(18) of the Commodity Exchange Act and the rules and regulations thereunder or as to the effect of such status (or lack thereof) on our opinion herein.

4. We express no opinion as to: (a) whether a court would grant specific performance or any other equitable remedy with respect to enforcement of any provision contained in the Agreement; (b) broadly stated waivers of suretyship defenses, presentment, protest, demand, notice, appraisement, valuation, stay, extension, moratorium, redemption or other rights granted by law to the extent such waivers are held to be against public policy or prohibited by law; (c) the

enforceability of any provisions in the Agreement that purport to appoint an agent for service of process or establish or otherwise affect jurisdiction, venue, evidentiary standards, limitation periods or procedural rights in any suit or other proceeding; (d) the enforceability of any provisions in the Agreement that purport to waive, subordinate, or otherwise restrict, delay or deny access to rights, benefits, claims, causes of action, any statute of limitations, or remedies that cannot be waived, subordinated, or otherwise restricted, delayed or denied; (e) the enforceability of any provisions in the Agreement that allow any party to exercise any remedies without notice to the person or entity signatory thereto or bound thereby; (f) the enforceability of any provisions contained in the Agreement relating to a power of attorney or the appointment of a receiver; (g) the effect of the law of any jurisdiction wherein any party may be located or wherein the enforcement of the Agreement may be sought that limits any rates of interest legally chargeable or collectible; (h) the enforceability of any provisions in the Agreement granting to any party thereto any right of setoff without notice or otherwise beyond that provided by law; or (i) the enforceability of any provisions in the Agreement requiring written amendments or waivers of such documents insofar as it suggests that oral or other modifications, amendments, or waivers could not effectively be agreed upon by the parties or that the doctrine of promissory estoppel might not apply.

5. We express no opinion regarding the enforceability of any documents or agreements other than the Agreement, whether or not referenced in or attached to the Agreement.

6. We express no opinion as to the creation, perfection or effect of perfection of any lien or security interest purported to be created under the Agreement.

7. Except to the extent made enforceable by New York General Obligations Law Section 5-1401 and NY CPLR 327(b), as applied by a New York state court or a United States federal court sitting in New York and applying New York choice of law principles, including principles of public policy, comity and constitutionality, we express no opinion as to any provision relating to choice of governing law contained in the Agreement.

Specific Limitations and Qualifications on
Scope of Applicable Laws

Our opinion is expressed only with respect to those Applicable Laws that a lawyer in New York exercising customary professional diligence would reasonably recognize as being applicable generally to obligors in transactions of the type contemplated by the Agreement. Except as may be expressly opined herein, no opinion is expressed as to any Applicable Laws that may apply to the Company solely by virtue of any specific business in which it may be engaged or any property that it may own.

In addition, we express no opinion as to (and the term "***Applicable Laws***" as used herein does not include) the following: (a) federal securities laws and regulations administered by the Securities and Exchange Commission (including regulation of investment companies and investment advisors), state "Blue Sky" laws and regulations, Federal Reserve Board margin regulations (including Regulation U) and laws and regulations administered by the Commodity Futures Trading Commission or otherwise relating to commodity (and other) futures and indices and other similar instruments; (b) labor, pension and employee rights and benefit laws and regulations; (c) antitrust and unfair competition laws and regulations; (d) compliance with

fiduciary duty requirements; (e) bankruptcy, insolvency, fraudulent conveyances and voidable transfer laws; (f) laws and regulations regarding pollution or protection of the environment; (g) zoning, land use, building and construction laws and regulations; (h) tax laws and regulations; (i) antifraud laws and regulations; (j) laws (including Executive Orders), regulations, and policies concerning foreign asset or trading controls, national security, national and local emergencies, terrorism or money laundering; (k) deference to acts of sovereign states (including foreign governmental actions or laws affecting creditors' rights); (l) laws and regulations concerning racketeering (i.e., RICO), criminal or civil forfeitures and other criminal acts (e.g., mail fraud and wire fraud statutes); (m) public utility laws and regulations and similar laws relating to regulation of communication, telecommunication, aviation, shipping, transportation and similar public services or the transmission of energy, power or gas; (n) patent, copyright, trademark and other intellectual property laws and regulations; (o) health, occupational and safety laws and regulations; (p) the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and other laws and regulations, whether federal or state, relating to the regulation of banks, investment companies, insurance companies and other financial institutions; (q) domestic relations laws, marital laws, inheritance and estate laws, consumer protection laws and other laws relating to individuals; (r) laws and regulations relating to corrupt practices (including the Foreign Corrupt Practices Act); (s) laws and regulations concerning foreign investment in the United States; (t) food and drug laws and regulations (including the regulation of narcotics) and healthcare laws and regulations; (u) usury laws; (v) privacy laws and regulations; (w) the Hague Securities Convention; (x) laws and regulations relating to immigration and naturalization; (y) the statutes and ordinances, the administrative decisions, and the rules and regulations of counties, towns, municipalities, and special political subdivisions (whether created or enabled through legislative action at the federal, state, or regional level); or (z) judicial decisions to the extent that they deal with any of the foregoing.

Opinion

Based upon the foregoing, and subject to the qualifications set forth below, we are of the opinion that the Agreement constitutes the valid and binding obligation of the Company and is enforceable against the Company in accordance with its terms.

Reliance

This opinion (a) has been furnished to you at your request, and we consider it to be a confidential communication that may not be furnished, reproduced, distributed or disclosed to anyone without our prior written consent, provided that this opinion may be referred to in the Agreement, (b) is rendered solely for your information and assistance in connection with the Agreement, and may not be relied upon by any other person or for any other purpose without our prior written consent, (c) is rendered as of the date hereof, and (d) is limited to the matters stated herein and no opinions may be inferred or implied beyond the matters expressly stated herein. We express no opinion as to, and assume no responsibility for, the effect of any fact or circumstance occurring, or of which we become aware, subsequent to the date of this letter including, without limitation, legislative and other changes in the law or changes in circumstances affecting the Company. We undertake no, and hereby disclaim any, obligation to advise you of any such facts

or circumstances of which we become aware, regardless of whether or not they affect the opinion herein.

This opinion letter and the opinions it contains shall be interpreted in accordance with the Core Opinion Principles as published in 74 *Business Lawyer* 815 (Summer 2019).

Sincerely,

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

EXHIBIT G

FORM OF OPINION OF SHEPPARD MULLIN AS SPECIAL COUNSEL

[____], 2025

Central Valley Energy Authority
333 East Canal Drive
Turlock, CA 95381

Ladies and Gentlemen:

We have acted as special New York counsel to Aron Energy Prepay 48 LLC, a Delaware limited liability company (the "***Company***"), in connection with the negotiation, among other agreements, of the Covered Transaction Documents (as defined below), each of which is governed by New York law. We are rendering this opinion letter to you at the request of the Company pursuant to the requirements of [Section 8(e)(__)] of the Bond Purchase Contract (the "***Bond Purchase Contract***"), dated [____], 2025, by and between Central Valley Energy Authority, a joint powers authority and public entity organized under the laws of the State of California (the "***Issuer***") and Goldman Sachs & Co. LLC, a New York limited liability company, as underwriter (the "***Underwriter***"), providing for the issuance and sale by the Issuer to the Underwriter of [Commodity Supply Revenue Bonds, Series 2025] (the "***Bonds***"). Capitalized terms used herein shall, unless otherwise defined herein, have the respective meanings set forth in the Offering Documents (as defined below).

For the purpose of rendering the opinion set forth herein, we have been furnished with and have reviewed the following documents each dated of even date with the Bond Purchase Contract unless otherwise indicated:

(i) the Prepaid Commodity Sales Agreement;

(ii) the Re-Pricing Agreement dated [____], 2025;

(iii) the Commodity Swaps;

(iv) the Custodial Agreements dated [____], 2025;

(v) the Commodity Purchase, Sale and Service Agreement;

(vi) the Funding Agreement;

(vii) the Master Commodity Supplier Custodial Agreement;

(viii) the Preliminary Official Statement dated [____], 2025; and

(ix) the Official Statement (the "Final OS") (the documents listed in clauses (i) through (viii) being the "Covered Transaction Documents" and the documents listed in clauses (ix) and (x) being the "Offering Documents").

Scope of Examination and
General Assumptions

We have been furnished with an executed copy of each Covered Transaction Document and with posted versions of each Offering Document and originals or copies, certified or otherwise identified to our satisfaction, of all such other documents as we have deemed necessary or desirable as a basis for the opinion hereinafter expressed. We have, without independent verification, relied upon, and assumed the accuracy and completeness of, the representations and warranties of the parties to the Bond Purchase Contract and to the Covered Transaction Documents.

For purposes of this opinion letter, we have assumed with your consent (a) the authenticity and completeness of all documents submitted to us as originals, (b) the conformity to original documents of all documents submitted to us as copies, (c) the authenticity and completeness of the originals of the documents referred to in the immediately preceding clause (b) and (d) that the laws of any jurisdiction other than the State of New York do not affect the plain meaning of the terms of such documents. In addition, we have assumed with your consent (e) that each party to such documents is duly formed or organized, validly existing and in good standing under the laws of the state of its formation or organization and has the full power, authority, and legal right to enter into and perform its obligations under all agreements to which it is a party, (f) that such documents have been duly authorized, executed, and delivered by each party thereto, (g) that the execution and delivery by each party of, and performance of its agreements in, such documents do not (A) violate such party's formation or organization documents, (B) breach or result in a default under any existing obligation of such party under any agreements, contracts, or instruments to which such party is a party or is otherwise subject or any order, writ, injunction, or decree of any court applicable to such party, or (C) violate or contravene any law, statute, rule or regulation applicable to such party, (h) that all required orders, consents, approvals, licenses, authorizations, validations, filings, recordings, and registrations with, or exemptions by, all governmental authorities have been obtained and remain in full force and effect for the execution, delivery, and performance of its obligations under such documents by each party thereto and (i) that each such document constitutes the valid, binding, and enforceable agreement of all the parties thereto.

We also have assumed that the parties to the Covered Transaction Documents have not entered into any agreements of which we are unaware that modify the terms of any of the Covered Transaction Documents and have not otherwise expressly or by implication waived, or agreed to any modification of, any provision of the Covered Transaction Documents.

This opinion letter is rendered in the context of the laws of the State of New York that, in our experience, are typically applicable to transactions of the type contemplated by the Covered Transaction Documents (the "***Applicable Laws***") and we express no opinion as to questions concerning any other laws or the laws of any other jurisdiction (including, without limitation, any laws of any other jurisdiction which might be referenced by the choice-of-law rules of the Applicable Laws, the law of the State of California or the law of the State of Iowa) that could affect the plain meaning of the provisions of the Covered Transaction Documents.

Without limiting the foregoing, we express no opinion as to (and the term "***Applicable Laws***" as used herein does not include) the following: (a) federal securities laws and regulations administered by the Securities and Exchange Commission (including regulation of investment companies and investment advisors), state "Blue Sky" laws and regulations, Federal Reserve Board margin regulations (including Regulation U) and laws and regulations administered by the Commodity Futures Trading Commission or otherwise relating to commodity (and other) futures and indices and other similar instruments or as to compliance with any such laws or regulations or as to the sufficiency of the disclosures in the Offering Documents; (b) antifraud laws and regulations; (c) federal or state public utility laws and regulations and similar laws relating to regulation of public services or the transmission of energy, power or gas; (d) the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and other laws and regulations, whether federal or state (including the Insurance Code of the State of Iowa and the regulations thereunder) relating to the regulation of banks, investment companies, insurance companies and other financial institutions; (e) the statutes and ordinances, the administrative decisions, and the rules and regulations of counties, towns, municipalities, and special political subdivisions (whether created or enabled through legislative action at the federal, state, or regional level); or (f) judicial decisions to the extent that they deal with any of the foregoing. We also express no opinion as to the economic terms, or compliance with the financial requirements, of the Covered Transaction Documents or the Offering Documents or the appropriateness of an investment in the Bonds.

Opinion

Based upon our review of the Covered Transaction Documents and of the Offering Documents, our participation in the negotiation of the Covered Transaction Documents as well as our understanding of New York law and the experience we have gained in our practice thereunder and subject to the assumptions, exceptions, qualifications and limitations set forth herein, we are of the opinion that the statements in each of the Offering Documents under the headings "The Prepaid Commodity Sales Agreement", "The Re-Pricing Agreement", "The Commodity Purchase, Sale and Service Agreement", "The Funding Agreement", "The Master Commodity Supplier Custodial Agreement", and "The Commodity Swaps" insofar as they purport to constitute summaries of the terms of such Covered Transaction Documents, fairly summarize the matters therein described in all material respects, provided that with respect to the heading "The Commodity Swaps – Early Termination", not all circumstances in which there may be an elective termination of a Commodity Swap have been listed and we express no opinion as to whether any of the circumstances not listed is material. Such summaries do not purport to be a complete description of the terms and conditions of the Covered Transaction Documents and are qualified by reference to the full text thereof.

This opinion (i) has been furnished to you at the Company's request, and we consider it to be a confidential communication that may not be furnished, reproduced, distributed or disclosed to anyone without our prior written consent, provided that this opinion may be referred to in the Bond Purchase Contract and may be included in the transcript of closing documents for the Bonds, (ii) is rendered solely in connection with the issuance of the Bonds and should not be relied upon in making any decision to issue or purchase the Bonds, and may not be relied upon by any other person or for any other purpose without our prior written consent, (iii) is rendered as of the date hereof, and we undertake no, and hereby disclaim any kind of, obligation to advise you of any

changes or any new developments that might affect any matters or opinion set forth herein and (iv) is limited to the matters stated herein, and no opinion may be inferred or implied beyond the matters expressly stated herein. We express no opinion as to, and assume no responsibility for, the effect of any fact or circumstance occurring, or of which we become aware, subsequent to the date of this letter including, without limitation, legislative and other changes in the law or changes in circumstances affecting the Company. We undertake no, and hereby disclaim any obligation to advise you of any such facts or circumstances of which we become aware, regardless of whether or not they affect the opinion herein.

This opinion letter and the opinion it contains shall be interpreted in accordance with the Core Opinion Principles as published in 74 *Business Lawyer* 815 (Summer 2019).

Sincerely,

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

PRELIMINARY OFFICIAL STATEMENT DATED JANUARY __, 2025

NEW ISSUE - BOOK-ENTRY ONLY **Rating: (See "Rating" Herein)**

In the opinion of Stradling Yocca Carlson & Rauth LLP, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described in this Official Statement, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. In the further opinion of Bond Counsel, interest (and original issue discount) on the Bonds (and original issue discount) is exempt from State of California personal income tax. See "TAX MATTERS" herein with respect to tax consequences with respect to the Bonds, including with respect to the alternative minimum tax imposed on certain large corporations.

$_____*
CENTRAL VALLEY ENERGY AUTHORITY
COMMODITY SUPPLY REVENUE BONDS, SERIES 2025

Dated: Date of Delivery Due: As shown on the inside cover

The Central Valley Energy Authority ("CVEA") is issuing its Commodity Supply Revenue Bonds, Series 2025 (the "Bonds") under a Trust Indenture (the "Indenture") between CVEA and U.S. Bank Trust Company, National Association, as Trustee. CVEA is a joint powers authority organized and existing pursuant to the laws of the State of California (the "State") with the power to issue the Bonds and enter into the transaction described herein. Capitalized terms used on this cover page and not otherwise defined have the meanings set forth in this Official Statement.

The Bonds will be issued in authorized denominations of $5,000 or any integral multiple thereof in book-entry form through The Depository Trust Company ("DTC"). The principal, Redemption Price and Purchase Price of and interest on the Bonds are payable by the Trustee. Purchasers of the Bonds will not receive physical delivery of bond certificates.

From the Initial Issue Date of the Bonds to and including July 31, 2035* (the "Initial Interest Rate Period"), the Bonds will bear interest at fixed rates, all as shown on the inside cover page and as described herein. During the Initial Interest Rate Period, interest on the Bonds is payable semiannually on each February 1 and August 1, commencing August 1, 2025*. The Bonds are subject to optional and extraordinary mandatory redemption during the Initial Interest Rate Period, and the Bonds maturing on December 1, 2055* are subject to mandatory tender for purchase on August 1, 2035* (the "Mandatory Purchase Date").

The proceeds of the Bonds will be used to (a) pay the cost of acquisition of quantities of natural gas and electricity (the "Commodities") to be delivered over approximately 30 years (the "Commodity Project"), (b) fund capitalized interest and commodity swap and debt service reserves and (c) pay costs of issuance of the Bonds. CVEA and Aron Energy Prepay 48 LLC, a Delaware limited liability company (the "Commodity Supplier"), have entered into a Prepaid Commodity Sales Agreement (the "Commodity Purchase Agreement") with respect to the Commodity Project. CVEA has sold all of the Commodities acquired under the Commodity Purchase Agreement to the Turlock Irrigation District ("TID" or the "Project Participant") under a Commodity Supply Contract (the "Commodity Supply Contract"). Pursuant to the Commodity Purchase Agreement, the Commodity Supplier is obligated to deliver specified quantities of Commodities, make payments for any Commodities not delivered, remarket Commodities not taken by the Project Participant and pay a Termination Payment on any Early Termination Payment Date established under the Commodity Purchase Agreement. Any such payment will be applied to the mandatory redemption of all of the Bonds.

The Commodity Supplier will use a specified amount from the prepayment the Commodity Supplier receives from CVEA to purchase a Non-Participating Funding Agreement (the "Funding Agreement") with Pacific Life Insurance Company (the "Funding Recipient" or "Pacific Life"), and will enter into a Commodity Purchase, Sale and Service Agreement (the "Commodity Sale and Service Agreement") with J. Aron & Company LLC ("J. Aron"). Under the Commodity Sale and Service Agreement, J. Aron will sell Commodities to the Commodity Supplier in the quantities and at the delivery points necessary for the Commodity Supplier to meet its obligations to CVEA under the Commodity Purchase Agreement and for CVEA to meet its obligations to the Project Participant under the Commodity Supply Contract. The monthly payments made by the Funding Recipient under the Funding Agreement will provide amounts sufficient to enable the Commodity Supplier to meet its payment obligations under the Commodity Sale and Service Agreement and the Commodity Supplier Commodity Swap.

THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF CVEA AND THE PRINCIPAL AND REDEMPTION PRICE OF, AND INTEREST ON, THE BONDS ARE PAYABLE SOLEY FROM THE TRUST ESTATE. THE BONDS DO NOT CONSTITUTE A DEBT OR LIABILITY OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN CVEA, BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS PROVIDED THEREFOR UNDER THE INDENTURE. THE BONDS DO NOT CONSTITUTE A DEBT OR LIABILITY OF TURLOCK IRRIGATION DISTRICT OR ANY OTHER MEMBER OF CVEA. CVEA SHALL NOT BE OBLIGATED TO PAY THE PRINCIPAL OR THE REDEMPTION PRICE OF OR INTEREST ON THE BONDS EXCEPT FROM THE FUNDS PROVIDED THEREFOR UNDER THE INDENTURE AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF, INCLUDING CVEA, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE BONDS. THE ISSUANCE OF THE BONDS SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY OR TO PLEDGE ANY FORM OF TAXATION OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. CVEA HAS NO TAXING POWER.

This Official Statement describes the Bonds only during the Initial Interest Rate Period and must not be relied upon if the Bonds are converted to any other interest rate period. The purchase and ownership of the Bonds involve investment risk and may not be suitable for all investors. This cover page is not intended to be a summary of the terms of or the security for the Bonds. Investors are advised to read this Official Statement in its entirety to obtain information essential to the making of an informed investment decision with respect to the Bonds, giving particular attention to the matters discussed under "INVESTMENT CONSIDERATIONS AND RISKS" herein.

The Bonds are offered, when, as and if issued by CVEA and accepted by the Underwriter, subject to the approval of validity by Stradling Yocca Carlson & Rauth LLP, Bond Counsel to CVEA, and certain other conditions. Certain legal matters will be passed upon for CVEA by Stradling Yocca Carlson & Rauth LLP, as Special Counsel to CVEA; for CVEA by Stradling Yocca Carlson & Rauth LLP, as Disclosure Counsel to CVEA; for the Turlock Irrigation District by Griffith, Masuda & Hobbs, a Professional Law Corporation; for the Commodity Supplier by Sheppard, Mullin, Richter & Hampton LLP; for the Funding Recipient by Willkie Farr & Gallagher LLP; and for the Underwriter by Chapman and Cutler LLP. It is expected that the Bonds will be available for delivery through the facilities of DTC on or about January __, 2025.

Goldman Sachs & Co. LLC

_____, 2025

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* *Preliminary, subject to change.*

**$_____*
CENTRAL VALLEY ENERGY AUTHORITY
COMMODITY SUPPLY REVENUE BONDS, SERIES 2025**

MATURITY DATES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND CUSIPS*

Maturity August 1	*Principal Amount*	*Interest Rate*	*Yield*	*CUSIP[(1)]*

$_____ _____% Term Bond due December 1, 2055[(2)], Yield: _____%, CUSIP[(1)] _____

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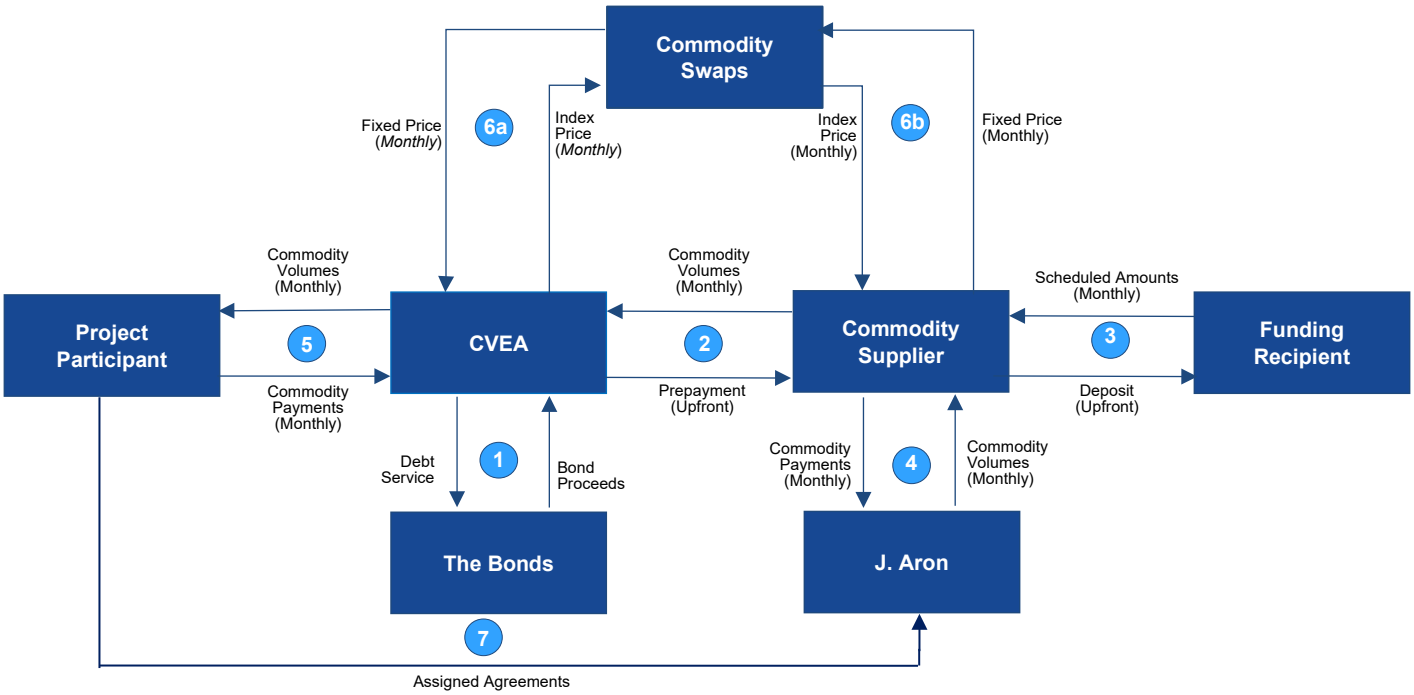
* *Preliminary, subject to change.*

(1) CUSIP® is a registered trademark of the American Bankers Association. The CUSIP numbers listed above have been provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems Inc., and are included solely for the convenience of bondholders. CVEA and the Underwriter make no representation with respect to such numbers or undertake any responsibility for their accuracy. The CUSIP numbers are subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to a refunding in whole or in part of the Bonds.

(2) The Bonds maturing on _____, 20__* are required to be tendered for purchase on _____, 20__*.

CENTRAL VALLEY ENERGY AUTHORITY
COMMODITY SUPPLY REVENUE BONDS, SERIES 2025
PREPAID COMMODITY STRUCTURE



1. **Bond Issuance**: The Central Valley Energy Authority ("CVEA") will issue the Bonds to fund prepayments for Commodity quantities, fund capitalized interest and commodity swap and debt service reserves, and pay costs of issuance. The Bonds will bear interest at a fixed interest rate during the Initial Interest Rate Period.
2. **Prepayment**: CVEA will apply proceeds of the Bonds to prepay Aron Energy Prepay 48 LLC (the "Commodity Supplier") for 30 years of Commodity deliveries under a Prepaid Commodity Sales Agreement (the "Commodity Purchase Agreement"). Under the Commodity Purchase Agreement, CVEA will prepay for Commodity quantities and the Commodity Supplier will be obligated to (a) deliver specified daily quantities of gas each month to CVEA during the Gas Delivery Period and specified hourly quantities of electricity during the Electricity Delivery Period; (b) make payments for any Commodities not delivered or taken based on the market price, the assigned contract price or replacement costs, as applicable; and (c) make a Termination Payment upon a Termination Payment Event, as described herein. The Electricity Delivery Period will not commence until after the end of the Initial Interest Rate Period and after the Mandatory Purchase Date for the Bonds.
3. **Funding Agreement**: The Commodity Supplier will use a specified amount from the prepayment the Commodity Supplier receives from CVEA to purchase a Non-Participating Funding Agreement (the "Funding Agreement") with Pacific Life Insurance Company (the "Funding Recipient" or "Pacific Life"), pursuant to which the Commodity Supplier will deposit a specified amount with the Funding Recipient and the Funding Recipient will be obligated to pay Scheduled Withdrawals to the Commodity Supplier and certain other amounts upon any early termination of the Funding Agreement. The Scheduled Withdrawals payable under the Funding Agreement provide amounts sufficient to meet the Commodity Supplier's monthly Commodity purchase obligations, net of receipts (payments) under the Commodity Supplier Commodity Swap. The Funding Agreement provides a fixed interest rate for a term equal to the Initial Interest Rate Period on the Bonds and will mature at the end of such period.
4. **Commodity Supply**: The Commodity Supplier will purchase Commodities from J. Aron & Company LLC ("J. Aron") under a long-term Commodity Sale and Service Agreement per a prescribed schedule of quantities and delivery points that matches the corresponding schedule under the Commodity Purchase Agreement. The Commodity Supplier will pay for the Commodities monthly in arrears. J. Aron's payment obligations under the Commodity Sale and Service Agreement will be guaranteed by The Goldman Sachs Group, Inc. ("GSG").
5. **Project Participant**: Under the Commodity Supply Contract, CVEA will sell to the Turlock Irrigation District ("TID" or the "Project Participant") all Commodities delivered by the Commodity Supplier on a pay-as-you go basis and at the Contract Prices specified in the Commodity Supply Contract which include specified discounts. The amounts payable by the Project Participant will provide sufficient revenues (net of swap payments and receipts, capitalized interest and investment income from the Debt Service Account) to enable CVEA to make the required scheduled deposits to the Debt Service Account.
6. **Commodity Swaps**: CVEA will pay index and receive fixed amounts from the Commodity Swap Counterparty to ensure its payment obligations are index based while ensuring that sufficient fixed revenues are available to meet its fixed debt service obligations. The Commodity Supplier will enter into a mirror swap with the same Commodity Swap Counterparty to meet its requirements for market-referenced pricing to fulfill its delivery obligations.
7. **Assigned Gas Agreements**: The Project Participant expects to assign to J. Aron certain of its interests under two or more gas purchase agreements (the "Assigned Upstream Supply Contracts"). The Assigned Upstream Supply Contracts are expected to provide quantities of gas sufficient to meet J. Aron's initial gas delivery obligations to the Commodity Supplier under the Commodity Sale and Service Agreement and the gas delivery obligations of the Commodity Supplier to CVEA under the Commodity Purchase Agreement.

No dealer, broker, salesperson or other person has been authorized by CVEA, the Project Participant or the Underwriter to give any information or to make any representations other than those contained herein and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful to make such offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact.

The information contained in this Official Statement has been obtained from CVEA, the Project Participant, J. Aron, GSG, the Funding Recipient, the Commodity Swap Counterparty, DTC and other sources believed to be reliable., but it is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriter. The information and expressions of opinions herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of CVEA since the date hereof. This Official Statement, including any supplement or amendment hereto, is intended to be deposited with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access ("EMMA") system at http://www.emma.msrb.org.

The Bonds have not been registered with the U.S. Securities and Exchange Commission under the Securities Act of 1933, as amended, nor has the Indenture been qualified under the Trust Indenture Act of 1939, as amended in reliance upon exemptions contained in such acts.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with and as part of its responsibilities to investors under federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY ENGAGE IN TRANSACTIONS THAT STABILIZE, MAINTAIN OR OTHERWISE AFFECT THE MARKET PRICES OF THE BONDS. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE BONDS TO CERTAIN DEALERS, INSTITUTIONAL INVESTORS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE FRONT COVER HEREOF, AND SAID PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included or incorporated by reference in this Official Statement and the Appendices hereto constitute "forward-looking statements." All forward-looking statements appearing in this Official Statement are subject to known and unknown risks and uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. In this respect, the words "plan," "expect," "estimate," "budget," "project," "anticipate," "intend," "believe," and similar expressions are intended to identify forward-looking statements. All projects, forecasts, assumptions, expressions of opinions, estimates, budgets and other forward-looking statements are expressly qualified in their entirety by the cautionary statements set forth in this Official Statement.

The achievement of any results or the realization of other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. CVEA does not plan to issue any updates or revisions to those forward-looking statements.

The Project Participant maintains a website and certain social media accounts, however, the information presented there is not part of this Official Statement and should not be relied upon in making an investment decision with respect to the Bonds.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this final official statement for purposes of, and as that term is defined in, Rule 15c2-12 of the United States Securities and Exchange Commission.

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OFFICIAL STATEMENT

**$_____*
CENTRAL VALLEY ENERGY AUTHORITY
COMMODITY SUPPLY REVENUE BONDS, SERIES 2025**

INTRODUCTION

This Official Statement, which includes the cover page and appendices attached hereto, contains information concerning (a) Central Valley Energy Authority ("CVEA"), a joint exercise of powers authority organized under the laws of the State of California (the "State"), (b) CVEA's Commodity Supply Revenue Bonds, Series 2025 (the "Bonds"), being issued in the aggregate principal amount of $_____* and (c) the Commodity Project (defined below) being financed with proceeds of the Bonds. Capitalized terms used in this Official Statement and not otherwise defined herein have the meanings set forth in APPENDIX C.

Central Valley Energy Authority

CVEA is a joint exercise of powers authority formed pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, as amended and supplemented (the "Act"), by the Turlock Irrigation District ("TID" or the "Project Participant") and the Walnut Energy Center Authority ("WECA"). CVEA is authorized to undertake all actions permitted by the Act to assist TID with the acquisition and financing of supplies of natural gas and electricity, including undertaking the Commodity Project and selling the Commodities from the Commodity Project to TID, as described herein. See "CENTRAL VALLEY ENERGY AUTHORITY."

The Project Participant

TID owns and operates an electric system that has provided retail electric service since 1923, and it currently serves a population of approximately 240,000 people in an approximately 662 square mile service area that covers portions of Stanislaus, Mariposa, Merced and Tuolumne Counties. See APPENDIX A for additional information regarding TID.

The Commodity Project

CVEA is issuing the Bonds to finance the acquisition of an approximately thirty-year supply of natural gas and electricity (together, the "Commodities") under a Prepaid Commodity Sales Agreement (the "Commodity Purchase Agreement") with Aron Energy Prepay 48 LLC, a Delaware limited liability company (the "Commodity Supplier"). On the date of issuance of the Bonds, CVEA will use proceeds of the Bonds to make a prepayment to the Commodity Supplier under the Commodity Purchase Agreement for quantities of Commodities to be delivered through October 1, 2055. CVEA and the Project Participant will enter into a Commodity Supply Contract (the "Commodity Supply Contract") to provide for the purchase and sale of quantities of Commodities through October 1, 2055.

Under the Commodity Purchase Agreement, the Commodity Supplier will deliver natural gas until CVEA exercises its option to switch from gas deliveries to electricity deliveries (the "Gas Delivery Period"). The switch from gas deliveries to electricity deliveries will occur on a date (the "Switch Date") designated by CVEA in a notice to the Commodity Supplier. Pursuant to the Commodity Purchase Agreement, CVEA is required to give at least twelve months' prior notice of its election to switch from gas deliveries to electricity deliveries, and the Switch Date may not occur prior to August 1, 2035. Scheduled deliveries of electricity under the Commodity Purchase Agreement will commence on the Switch Date and will continue to the end of the

* *Preliminary, subject to change.*

delivery period under the Commodity Purchase Agreement (the "Electricity Delivery Period"). The "Commodity Project" consists of CVEA's purchase of natural gas and electricity pursuant to the Commodity Purchase Agreement and all of its related contractual arrangements and agreements. See "THE COMMODITY PURCHASE AGREEMENT."

The Switch Date will not occur until after the end of the Initial Interest Rate Period. Accordingly, the Electricity Deliver Period will not commence until after the end of the Initial Interest Rate Period and after the Mandatory Purchase Date for the Bonds. This Official Statement describes the Commodity Project during the Gas Delivery Period. The Project Participant will use the natural gas that will be delivered during the Gas Delivery Period as fuel for the generation of electricity that is distributed and sold to retail customers within its service area. See "THE COMMODITY SUPPLY CONTRACT."

The Bonds

From their Initial Issue Date to and including July 31, 2035* (the "Initial Interest Rate Period"), the Bonds will bear interest in a Fixed Rate Period, with interest payable semiannually on each February 1 and August 1, commencing August 1, 2025*, all as shown on the inside cover page and as described herein. See "THE BONDS."

The Bonds are subject to optional redemption and extraordinary mandatory redemption during the Initial Interest Rate Period, and the Bonds maturing on December 1, 2055* are required to be tendered for purchase on August 1, 2035* (the "Mandatory Purchase Date"), which is the day following the end of the Initial Interest Rate Period. The Purchase Price of Bonds on the Mandatory Purchase Date is equal to the principal amount thereof. See "THE BONDS—Redemption" and "—Tender—*Mandatory Tender*." Under the Indenture, a "Failed Remarketing" will occur upon the failure (a) of the Trustee to receive the Purchase Price of any Bond required to be purchased or redeemed on a Mandatory Purchase Date by 12:00 noon, New York City time, on the fifth Business Day preceding such Mandatory Purchase Date or (b) to purchase or redeem such Bond in whole by such Mandatory Purchase Date. A Failed Remarketing will result in early termination of the Commodity Purchase Agreement and the extraordinary redemption of the Bonds on the Mandatory Purchase Date. See "THE BONDS—Redemption" and "—Tender."

Security for the Bonds

The Bonds are issued pursuant to the authority contained in the Act, and are issued and secured under a Trust Indenture, dated as of January 1, 2025 (the "Indenture"), between CVEA and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"). The Bonds are special, limited obligations of CVEA, are payable solely from and secured solely by the Trust Estate pledged by the Indenture, and are expected to be paid from the Revenues of the Commodity Project. See "SECURITY FOR THE BONDS."

The Commodity Purchase Agreement

Delivery of Gas. Pursuant to the terms and conditions and subject to the limitations set forth in the Commodity Purchase Agreement, on each gas day during the Gas Delivery Period, the Commodity Supplier agrees to deliver and CVEA agrees to take, in each case on a firm basis, the Contract Quantity of gas.

"Contract Quantity" is defined in the Commodity Purchase Agreement to mean during the Gas Delivery Period for each gas day and each gas delivery point, the daily quantity of gas (in MMBtu) specified for such delivery point for the Month in which such gas day occurs. [The delivery points designated in the Commodity Purchase Agreement are located on the natural gas pipelines that serve the Project Participant.]

The Commodity Purchase Agreement includes corresponding provisions for electricity which will become effective on the Switch Date for the duration of the Electricity Delivery Period.

Switch Date. On the Switch Date, deliveries of gas under the Commodity Purchase Agreement will cease, and the Electricity Delivery Period and deliveries of electricity will commence.

The Switch Date will not occur until after the end of the Initial Interest Rate Period. Accordingly, the Electricity Deliver Period will not commence until after the end of the Initial Interest Rate Period and after the Mandatory Purchase Date for the Bonds.

Assigned Gas. To facilitate the initial gas supply for the Commodity Purchase Agreement, the Project Participant expects to assign to J. Aron a portion of its rights and obligations (the "Assigned Rights and Obligations") to receive specified quantities of natural gas ("Assigned Gas") under certain existing and future gas purchase agreements (each, an "Assigned Upstream Supply Contract"). J. Aron expects to use the Assigned Gas to meet its gas delivery obligations to the Commodity Supplier under the Commodity Sale and Service Agreement (described below), and the Commodity Supplier will use the Assigned Gas to meet its obligations to deliver prepaid gas to CVEA under the Commodity Purchase Agreement. CVEA will then deliver the Assigned Gas Quantity (as hereinafter defined) to the Project Participant under the Commodity Supply Contract.

Commodity Remarketing. Under the circumstances described in the Commodity Purchase Agreement and during the Gas Delivery Period, the Commodity Supplier agrees to remarket, on a daily or monthly basis, all or such portion of the Contract Quantity of gas as is designated by CVEA or the Trustee. In the event that the Commodity Supplier is unable to remarket any such gas, the Commodity Supplier has agreed to purchase such gas for its own account.

Commodity Delivery Termination Events. A Commodity Delivery Termination Date (a) will occur automatically under the Commodity Purchase Agreement upon the occurrence of certain events ("Automatic Commodity Delivery Termination Events"), and (b) may be designated at the option of the Commodity Supplier upon the occurrence of a Ledger Event (defined below) and certain other events ("Optional Commodity Delivery Termination Events"). Certain of these Commodity Delivery Termination Events also constitute Termination Payment Events under the Commodity Purchase Agreement as described below.

If a Commodity Delivery Termination Date occurs, the Delivery Period for Commodities under the Commodity Purchase Agreement will end and the Commodity Supplier will be required:

(a) in the case of a Commodity Delivery Termination Event that is a Termination Payment Event, to pay a scheduled termination payment (the "Termination Payment") to the Trustee on the last Business Day of the Month following the Month in which the Termination Payment Event occurs or, in the case of a Termination Payment Event due to a Failed Remarketing, on the last Business Day of the then-current Interest Rate Period (in either case, the "Early Termination Payment Date"); or

(b) in the case of a Commodity Delivery Termination Event that is not a Termination Payment Event, to pay scheduled monthly amounts to CVEA until the earlier of (i) the Month in which a Termination Payment Event occurs or (ii) the last due date for such scheduled payments.

Termination Payment Events. The Commodity Delivery Termination Events that constitute an event where the Termination Payment is required to be paid (a "Termination Payment Event") are described under the caption "THE COMMODITY PURCHASE AGREEMENT—Early Termination" below, and include: (a) a failure of the Commodity Supplier to pay any amounts owed to CVEA under the Commodity Purchase Agreement because of a failure by Pacific Life Insurance Company (the "Funding Recipient" or "Pacific Life") to pay when due any amounts owed to the Commodity Supplier pursuant to the Funding Agreement (defined below) and such failure continues for 30 days after receipt by the Commodity Supplier of notice thereof from CVEA; and (b) the exercise by J. Aron of its option under the Commodity Sale and Service Agreement to pay the Termination Payment to the Commodity Supplier at any time after the designation of a Commodity Delivery Termination Date due to a Ledger Event under the Commodity Purchase Agreement. The exercise of this option (the "J. Aron Acceleration Option") requires the consent of the Commodity Supplier. See "THE COMMODITY

PURCHASE AGREEMENT—Early Termination" and "THE COMMODITY SALE AND SERVICE AGREEMENT—J. Aron Acceleration Option."

If an Early Termination Payment Date occurs, the Bonds will be subject to extraordinary mandatory redemption in whole on the first day of the following Month. The amount of the Termination Payment declines over time as the Commodity Supplier performs its Commodities delivery obligations under the Commodity Purchase Agreement. The amount of the Termination Payment, together with the amounts required to be on deposit in certain funds and accounts held by the Trustee, has been calculated to provide a sum at least sufficient to pay the Redemption Price of the Bonds, assuming that the Commodity Supplier, the Funding Recipient and the Investment Agreement Providers pay and perform their respective contract obligations when due. A performance shortfall from any one of these entities could result in a payment shortfall to Bondholders.

If a Commodity Delivery Termination Date occurs that is not a Termination Payment Event, an Early Termination Payment Date will not occur under the Commodity Purchase Agreement until the earlier of (a) the occurrence of a Termination Payment Event or (b) the end of the Initial Interest Rate Period. Unless and until an Early Termination Payment Date occurs, the scheduled monthly amounts required to be paid by the Commodity Supplier will be applied to make the debt service payments on the Bonds. *The use of these scheduled payments (in lieu of payments made by the Project Participant under the Commodity Supply Contract) to make debt service payments could, under certain circumstances, adversely affect the continued tax-exempt status of the Bonds.* See "INVESTMENT CONSIDERATIONS—Loss of Tax Exemption."

See "THE COMMODITY PURCHASE AGREEMENT" and "THE BONDS—Redemption—*Extraordinary Mandatory Redemption.*" A schedule of the Termination Payment as of specified Early Termination Payment Dates under the Commodity Purchase Agreement during the Initial Interest Rate Period is attached as APPENDIX I.

The Funding Agreement

Upon receipt of the prepayment amount from CVEA under the Commodity Purchase Agreement, the Commodity Supplier will deposit an approximately equal amount with the Funding Recipient (less a fee paid to J. Aron), under a Non-Participating Funding Agreement dated as of the Initial Issue Date (the "Funding Agreement"). Such amount will be deposited into the "Funding Account" established under the Funding Agreement and will earn a fixed rate of interest. The Funding Agreement will mature by its terms on the Business Day preceding the Mandatory Purchase Date of the Bonds (the "Maturity Date") unless terminated earlier. The Funding Agreement provides for monthly withdrawals of scheduled amounts (the "Scheduled Withdrawals") from the Funding Account, including a final Scheduled Withdrawal of the unamortized balance of the Funding Account (the "Final Payment Amount") on the Maturity Date or any earlier termination date of the Funding Agreement. For a summary of certain provisions of the Funding Agreement, see "THE FUNDING AGREEMENT." For certain information regarding Pacific Life, see APPENDIX J.

The monthly Scheduled Withdrawals (less amounts received under the Commodity Swaps) provide amounts sufficient to enable the Commodity Supplier to meet its payment obligations (other than those in respect of the Receivables Purchase Provisions) under the Commodity Purchase Agreement, the Commodity Sale and Service Agreement and the Commodity Supplier Commodity Swaps.

The ability of the Commodity Supplier to meet its obligations under the Commodity Purchase Agreement, the Commodity Sale and Service Agreement and the Commodity Supplier Commodity Swap will directly and materially depend upon full and timely performance by the Funding Recipient under the Funding Agreement. Any failure by the Funding Recipient to timely pay the Scheduled Withdrawals or the Final Payment Amount when due under the Funding Agreement will result in an inability of the Commodity Supplier to meet its contract obligations to CVEA and a shortfall in the amounts necessary for CVEA to pay the principal, interest, Redemption Price and purchase price due on the Bonds. The Funding Agreement is an unsecured obligation of the Funding Recipient. See "INVESTMENT CONSIDERATIONS—Performance by Others."

The Commodity Sale and Service Agreement

Under a Commodity Purchase, Sale and Service Agreement (the "Commodity Sale and Service Agreement") between J. Aron and the Commodity Supplier, J. Aron has agreed to sell Commodities to the Commodity Supplier on a pay-as-you-go basis in the quantities and at the delivery points necessary to enable the Commodity Supplier to meet its commodity delivery obligations under the Commodity Purchase Agreement. J. Aron is obligated to make payments to the Commodity Supplier for Commodities not delivered or taken under the Commodity Sale and Service Agreement for any reason, including force majeure events. J. Aron has also agreed to remarket Commodities and make payments to the Commodity Supplier that enable the Commodity Supplier to meet its obligations under the Commodity Purchase Agreement. J. Aron is appointed as the Commodity Supplier's agent for taking all actions that the Commodity Supplier is required or permitted to take under the Commodity Purchase Agreement, the Commodity Supplier Commodity Swap, the Re-Pricing Agreement and, with respect to ordinary course transactions, the Commodity Sale and Service Agreement. J. Aron's commodity delivery, payment, remarketing and receivables purchase obligations under the Commodity Sale and Service Agreement mirror the Commodity Supplier's obligations under the Commodity Purchase Agreement. The Commodity Supplier may net any amounts due and owing to it by J. Aron against its monthly payments to J. Aron, but J. Aron is not entitled to net any amounts due and owing to it against its monthly payments to the Commodity Supplier.

As noted above, the Commodity Sale and Service Agreement provides J. Aron with the J. Aron Acceleration Option (the exercise of which is subject to the consent of the Commodity Supplier) to pay the Termination Payment to the Commodity Supplier at any time after the designation of a Commodity Delivery Termination Date due to a Ledger Event. If J. Aron exercises this option, an Early Termination Payment Date will occur under the Commodity Purchase Agreement. See "THE COMMODITY SALE AND SERVICE AGREEMENT—J. Aron Acceleration Option."

The payment obligations of J. Aron to the Commodity Supplier under the Commodity Sale and Service Agreement are unconditionally guaranteed by GSG. See "THE COMMODITY SALE AND SERVICE AGREEMENT."

The Commodity Supply Contract

The Commodity Supply Contract provides for the sale to the Project Participant, on a pay-as-you-go basis, of all of the Commodities to be delivered to CVEA over the term of the Commodity Purchase Agreement. Under the Commodity Supply Contract, CVEA has agreed to deliver, and the Project Participant has agreed to purchase, the specified Contract Quantities of gas at designated delivery points during the Gas Delivery Period. The Project Participant is obligated to pay CVEA for the quantities of gas delivered under the Commodity Supply Contract, and has no obligation to pay for gas that CVEA fails to deliver. The Commodities sold under the Commodity Supply Contract are priced at the applicable "Contract Price," which in the case of the Contract Quantity of gas, is the applicable daily market index price for the gas delivery point plus any applicable delivery point premium (or a fixed price if the Project Participant assigns a fixed price Upstream Supply Contract) *less* a specified discount. The Commodity Supply Contract includes comparable provisions that apply to electricity during the Electricity Delivery Period.

Payments made by the Project Participant under the Commodity Supply Contract are paid to CVEA for deposit into the Revenue Fund. The required payments under the Commodity Supply Contract, together with any net amounts received by CVEA under the CVEA Commodity Swap described below, constitute the primary and expected sources of the revenues pledged to the payment of the Bonds. The obligations of the Project Participant under the Commodity Supply Contract are payable solely from the revenues of its utility system. Under the Commodity Supply Contract, the Project Participant makes payments directly to the Trustee for deposit into the Revenue Fund. See "THE COMMODITY SUPPLY CONTRACT."

The Commodity Swaps

CVEA has entered into a commodity price swap agreement (the "CVEA Commodity Swap") with BP Energy Company, a Delaware corporation (the "Commodity Swap Counterparty"), with respect to the notional quantities of Commodities that correspond to the gas quantities sold at index prices under the Commodity Supply Contract. The Commodity Supplier has entered into a comparable commodity swap agreement (the "Commodity Supplier Commodity Swap" and, together with the CVEA Commodity Swap, the "Commodity Swaps") with the Commodity Swap Counterparty.

During the Gas Delivery Period under the Commodity Purchase Agreement: (a) under the CVEA Commodity Swap, CVEA pays a floating price to Commodity Swap Counterparty and receives a fixed price from the Commodity Swap Counterparty for notional quantities that correspond to the Contract Quantity of gas and pricing points under the Commodity Purchase Agreement; and (b) under the Commodity Supplier Commodity Swap, the Commodity Supplier pays a fixed price to the Commodity Swap Counterparty and receives floating price from the Commodity Swap Counterparty for the same notional quantities at the same pricing points.

The Commodity Swaps have rolling two-month terms that renew automatically upon the payment due date of each monthly net settlement amount due thereunder through the term of the Delivery Period under the Commodity Purchase Agreement, unless an early termination date occurs under the Commodity Swaps. Each of the Commodity Swaps is subject to early termination upon the occurrence of certain events as described herein, including upon a Commodity Delivery Termination Date under the Commodity Purchase Agreement. See "THE COMMODITY SWAPS" and "THE COMMODITY SWAP COUNTERPARTY."

The Commodity Supplier and CVEA have entered into separate Custodial Agreements (together, the "Custodial Agreements"), with the Commodity Swap Counterparty and U.S. Bank Trust Company, National Association, as Trustee and as custodian (in such capacity, the "Custodian"), to administer payments under the Commodity Swaps. See "THE COMMODITY SWAPS – Custodial Agreements."

Debt Service and Commodity Swap Reserves

The Indenture establishes funding requirements for various funds and accounts, including the Debt Service Account, the Debt Service Reserve Account and the Commodity Swap Reserve Account. Scheduled Debt Service Deposits are required to be made monthly into the Debt Service Account in amounts equal to the accrued debt service on the Bonds. It is expected that the Debt Service Account, the Debt Service Reserve Account and the Commodity Swap Reserve Account will be invested pursuant to the Investment Agreements described herein. The providers of Investment Agreements (the "Investment Agreement Providers") are required to meet certain qualifications specified in the Indenture and will be selected on the date of Bond pricing pursuant to a competitive bidding process. See "SECURITY FOR THE BONDS—Investment of Funds."

The Debt Service Reserve Account and the Commodity Swap Reserve Account provide reserves for debt service deposits and payments under the CVEA Commodity Swap in the event of payment defaults by the Project Participant under the Commodity Supply Contract. The Debt Service Reserve Requirement is $13,800,000*, which approximately equals the maximum two months of consecutive Scheduled Debt Service Deposits during the Initial Interest Rate Period. The Minimum Amount required to be on deposit in the Commodity Swap Reserve Account is approximately $5,000,000*.

* *Preliminary; subject to change.*

Receivables Purchase Provisions

The Commodity Purchase Agreement contains certain provisions (the "Receivable Purchase Provisions") designed to mitigate risks to Bondholders resulting from non-payment by the Project Participant.

Put Receivables. If amounts on deposit in the Commodity Swap Reserve Account and the Debt Service Reserve Account are less than the Minimum Amount and/or the Debt Service Reserve Requirement, respectively, at the time of an Early Termination Payment Date under the Commodity Purchase Agreement or at the final maturity date of the Bonds as a result of non-payment by the Project Participant, and insufficient funds are available to pay amounts coming due on the Bonds, the Trustee is required to put, and the Commodity Supplier, as "Receivables Purchaser," has agreed to purchase, receivables relating to non-payment by the Project Participant in the amount necessary to cure deficiencies in such accounts (the "Put Receivables").

A separate account (the "Commodity Supplier Put Receivables Account") is established with the SPE Master Custodian under the SPE Master Custodial Agreement and funded in an amount equal to the sum of the Minimum Amount and the Debt Service Reserve Requirement. The amount on deposit in the Commodity Supplier Put Receivables Account may be used only to pay any amounts due from the Commodity Supplier under the Receivables Purchase Provisions in respect of Put Receivables. See "GSG, J. ARON AND THE COMMODITY SUPPLIER—The Commodity Supplier—*SPE Master Custodial Agreement*" herein.

Swap Deficiency Receivables. If a payment default by the Project Participant results in a deficiency of the funds necessary to pay amounts due under the CVEA Commodity Swap (a "Swap Payment Deficiency"), the Commodity Supplier has the option under the Receivables Purchase Provisions to purchase from the Trustee the rights to payment of net amounts owed by the Project Participant under the Commodity Supply Contract ("Swap Deficiency Receivables") in an amount sufficient to fund the Swap Payment Deficiency. The failure of the Commodity Supplier to exercise its option to purchase Swap Deficiency Receivables is an Automatic Commodity Delivery Termination Event under the Commodity Purchase Agreement. See "THE COMMODITY PURCHASE AGREEMENT—Receivables Purchase Provisions."

Elective Receivables. If the Project Participant defaults on its obligation to make any payment under its Commodity Supply Contract and such payment default does not result in a Swap Payment Deficiency, the Commodity Supplier has the option under the Receivables Purchase Provisions to purchase from the Trustee the receivables relating to such payment default (the "Elective Receivables" and, together with the Swap Deficiency Receivables, "Call Receivables"). The failure of the Commodity Supplier to make such election does ***not*** constitute an Automatic Commodity Delivery Termination Event under the Commodity Purchase Agreement. See "THE COMMODITY PURCHASE AGREEMENT—Receivables Purchase Provisions" herein.

Purchase by J. Aron. Under the Commodity Sale and Service Agreement, J. Aron has agreed to purchase all Call Receivables purchased by the Commodity Supplier under the Receivables Purchase Provisions, provided that such obligation is subject to J. Aron having consented to the purchase of such Call Receivables by the Commodity Supplier. See "THE COMMODITY SALE AND SERVICE AGREEMENT."

Re-Pricing Agreement

On the Initial Issue Date of the Bonds, CVEA and the Commodity Supplier will enter into a Re-Pricing Agreement (the "Re-Pricing Agreement"), which provides for (a) the determination of Commodity delivery periods ("Reset Periods") subsequent to the Reset Period that corresponds to the Initial Interest Rate Period for the Bonds and (b) the calculation of the amount of the discount (expressed as a percentage of the price of the CVEA Commodity Swap) from the Contract Price of the Commodities that is available (the "Available Discount") for sales of Commodities to the Project Participant under the Commodity Supply Contract during each Reset Period.

The Reset Period that corresponds to the Initial Interest Rate Period for the Bonds begins on the Initial Issue Date of the Bonds and ends on the last day of June 2035, and the next Reset Period is expected to begin on the first day of July 2035. In the event that the Available Discount for any Reset Period is less than the minimum discount specified in the Commodity Supply Contract (which includes both monthly discounts and any annual refunds), the Project Participant may elect not to take Commodities during the Reset Period and to have the Commodities remarketed for the duration of the Reset Period (a "Remarketing Election") by giving notice of such election to CVEA. Any Commodity that is covered by a Remarketing Election will be remarketed in accordance with the provisions of the Indenture and the Commodity Purchase Agreement. In the event that the Project Participant makes a Remarketing Election with respect to such Reset Period, J. Aron will have the right, but not the obligation, to designate a CSSA Early Termination Date (as defined herein) under the Commodity Sale and Service Agreement, which designation is a Termination Payment Event under the Commodity Purchase Agreement. See "THE RE-PRICING AGREEMENT" and "THE COMMODITY PURCHASE AGREEMENT—Commodity Remarketing" and "—Early Termination."

The Commodity Supplier, J. Aron and GSG

The Commodity Supplier is a Delaware limited liability company organized for the sole purpose of entering into the transactions on its part with respect to the Commodity Project described herein. J. Aron is the sole member of the Commodity Supplier, and will fund the Commodity Supplier with a cash equity contribution, an initial subordinated loan and a contingent subordinated loan that together equal to at least three percent of the outstanding (unamortized) amount of the prepayment under the Commodity Purchase Agreement (approximately $__ million as of the Initial Issue Date).

J. Aron is wholly owned by GSG, and is engaged principally as a swap dealer and market-maker for commodities, currencies and derivative contracts thereon. J. Aron's payment obligations to the Commodity Supplier under the Commodity Sale and Service Agreement have been unconditionally guaranteed by GSG. See "THE COMMODITY SALE AND SERVICE AGREEMENT—Security."

According to Platts Gas Daily, J. Aron was the seventeenth largest marketer of physical natural gas in North America during the second quarter of 2022 at 3.24 Bcf/day. Since 2006, J. Aron has executed more than thirty energy prepayment transactions with municipal utilities and joint action agencies. As of January 1, 2023, it is contractually committed to deliver over 550,000 MMBtu/day of physical gas supplies in the aggregate to approximately 400 municipal utilities at over 40 delivery points under these transactions. In 2023, J. Aron delivered an average of 40,000 MMBtu/day to municipal utilities outside of natural gas and electric prepayments.

GSG, together with its consolidated subsidiaries, is a leading global financial institution that delivers a broad range of financial services across investment banking, securities, investment management and consumer banking to a large and diversified client base that includes corporations, financial institutions, governments and individuals. See "GSG, J. ARON AND THE COMMODITY SUPPLIER."

Certain Relationships

The Commodity Supplier, which is the prepaid seller under the Commodity Purchase Agreement, the Receivables Purchaser, the counterparty to the Commodity Supplier Commodity Swap, the buyer under the Commodity Sale and Service Agreement and the depositor under the Funding Agreement, is wholly owned by J. Aron. J. Aron has right to direct certain ordinary course actions taken by the Commodity Supplier.

J. Aron is wholly owned by GSG, and the payment obligations of J. Aron to the Commodity Supplier under the Commodity Sale and Service Agreement are unconditionally guaranteed by GSG. Goldman Sachs & Co. LLC, the Underwriter, is also wholly owned by GSG.

The members of TID's Board of Directors also serve as members of CVEA's Commission and certain of TID's officers, including its General Manager and Assistant General Manager, Financial Services and Chief Financial Officer, jointly serve in similar capacities as officers of CVEA. CVEA has no independent employees.

The relationships described above could create an actual or apparent conflict of interest.

This Official Statement includes information regarding and descriptions of CVEA, the Commodity Project, the Commodity Supplier, J. Aron, GSG, the Funding Recipient, the Commodity Swap Counterparty, the Project Participant and the Bonds, and summaries of certain provisions of the Indenture, the Commodity Supply Contract, the Commodity Purchase Agreement, the Commodity Sale and Service Agreement, the Funding Agreement, the Commodity Swaps, the Receivables Purchase Provisions, the Re-Pricing Agreement, the Investment Agreements, and the Custodial Agreements referred to herein. Such descriptions and summaries do not purport to be complete or definitive, and such summaries are qualified by reference to such documents. Certain of these documents are available to prospective investors during the initial offering period of the Bonds and thereafter to Bondholders, in each case upon request to CVEA. Descriptions of the Indenture, the Bonds, the Commodity Supply Contract, the Commodity Swaps, the Investment Agreements, the Custodial Agreements, the Receivables Purchase Provisions, the Re-Pricing Agreement, the Commodity Sale and Service Agreement, the Funding Agreement and the Commodity Purchase Agreement are qualified by reference to bankruptcy laws affecting the remedies for the enforcement of the rights and security provided therein and the effect of the exercise of police and regulatory powers by federal and state authorities.

This Official Statement describes the terms of the Bonds only during the Initial Interest Rate Period and must not be relied upon after interest on the Bonds is converted to another Interest Rate Period.

INVESTMENT CONSIDERATIONS

The purchase of the Bonds involves certain investment considerations discussed throughout this Official Statement. Prospective purchasers of the Bonds should make a decision to purchase the Bonds only after reviewing the entire Official Statement and making an independent evaluation of the information contained herein. Certain of those investment considerations are summarized below. This summary does not purport to be complete, and the order in which the following investment considerations are presented is not intended to reflect their relative significance.

Special and Limited Obligations

The Bonds are special, limited obligations of CVEA and are payable solely from and secured solely by the Trust Estate pledged pursuant to the Indenture. The Trust Estate includes only the proceeds, revenues, funds and rights related to the Commodity Project, as described under "SECURITY FOR THE BONDS—The Indenture" below, and does not include any other revenues or assets of CVEA. The Bonds are not general obligations of CVEA, and CVEA has no taxing power.

Only CVEA is obligated to pay the Bonds. The Project Participant is not obligated to make payments in respect of the debt service on the Bonds. None of the Commodity Supplier, J. Aron, GSG or the Funding Recipient is obligated to make debt service payments on the Bonds, and none of them has guaranteed payment of the Bonds.

Structure of the Commodity Project

The expected and intended source of the Revenues and other amounts to be used to pay the debt service on the Bonds are (a) the amounts payable by the Project Participant under the Commodity Supply Contract, (b) any net amounts payable to CVEA under the CVEA Commodity Swap and (c) the amounts payable by the Investment Agreement Provider for the Debt Service Account. The Commodity Purchase Agreement, the Commodity Sale and Service Agreement, the Commodity Supply Contract, the Investment Agreements, the

Commodity Swaps, the Indenture, the Bonds and related agreements have been structured so that, assuming timely performance and payment by the Funding Recipient, GSG (as the guarantor of J. Aron's payment obligations under the Commodity Sale and Service Agreement), the Investment Agreement Providers and the Project Participant of their respective contract obligations, the Revenues (defined herein) available to CVEA from the Commodity Project are calculated to be sufficient at all times to provide for the timely payment of the scheduled Debt Service requirements on the Bonds and the amounts due by CVEA under the CVEA Commodity Swap and the other Operating Expenses of the Commodity Project. These arrangements include:

- The Commodity Supplier is required to deliver Commodities under the Commodity Purchase Agreement in specified quantities at designated delivery points that correspond to the quantities of Commodities and delivery points that CVEA has committed to serve under the Commodity Supply Contract. In the event the Commodity Supplier fails to deliver the Commodities for any reason, including force majeure events, it is required to pay specified amounts to CVEA. In the event that the Contract Quantity for Assigned Gas (the "Assigned Gas Quantity") is not delivered or taken under an Assigned Upstream Supply Contract, CVEA is deemed to have requested that the Commodity Supplier remarket such assigned quantity, and the Commodity Supplier is required to pay specified amounts to CVEA.

- J. Aron is required to sell and deliver Commodities under the Commodity Sale and Service Agreement in specified quantities at designated delivery points that correspond to the quantities of Commodities and the delivery points that the Commodity Supplier has committed to serve under the Commodity Purchase Agreement. In the event J. Aron fails to deliver such Commodities for any reason, including force majeure events, it is required to pay certain specified amounts to the Commodity Supplier. The Commodity Supplier may net any amounts due and owing to it by J. Aron against its monthly payments to J. Aron, but J. Aron is not entitled to net any amounts due and owing to it against its monthly payments to the Commodity Supplier.

- The Scheduled Withdrawals required to be paid by the Funding Recipient under the Funding Agreement will provide the Commodity Supplier with amounts sufficient to make the payments the Commodity Supplier is required to make to J. Aron under the Commodity Sale and Service Agreement and any net amounts due to the Commodity Swap Counterparty under the Commodity Supplier Commodity Swap.

- The Project Participant has agreed to pay for Commodities tendered for delivery under the Commodity Supply Contract at the applicable Contract Price, and to pay specified damages to CVEA for a failure to accept Commodities tendered for delivery by CVEA, subject to the terms of the Commodity Supply Contract, including the provisions with respect to a failure to take the Assigned Gas Quantity.

- In the event that the Project Participant fails to pay when due any amounts owed under the Commodity Supply Contract (whether for Commodities taken or damages for Commodities tendered but not taken), CVEA has covenanted in the Indenture to exercise its right under the Commodity Supply Contract to suspend further deliveries of Commodities to the Project Participant.

- In the event that the Project Participant fails to pay when due any amounts owed under the Commodity Supply Contract, the Commodity Supplier may elect under the Receivables Purchase Provisions to purchase Call Receivables relating to such payment default. J. Aron agreed under the Commodity Sale and Service Agreement to purchase any Call Receivables from the Commodity Supplier, provided that J. Aron has provided its prior written consent to the purchase thereof by the Commodity Supplier.

- In the event that the Project Participant fails to pay when due any amounts owed under its Commodity Supply Contract, and the Commodity Supplier elects not to purchase the related Call Receivables, the Trustee is required to withdraw amounts from the Commodity Swap Reserve Account to make any payment then due to the Commodity Swap Counterparty and to withdraw amounts from the Debt Service Reserve Account to make the deposits to the Debt Service Account.

- If the Early Termination Payment Date is established under the Commodity Purchase Agreement or upon the final maturity date of the Bonds, the Commodity Swap Reserve Account is not funded at a level equal to the Minimum Amount and/or the Debt Service Reserve Account is not funded at a level equal to the Debt Service Reserve Requirement due to failure of the Project Participant to pay amounts due under the Commodity Supply Contract, the Trustee is required under the Indenture to sell, and the Commodity Supplier, as Receivables Purchaser, is obligated to purchase, Put Receivables under the Receivables Purchase Provisions. The Commodity Supplier Put Receivables Account is funded in an amount equal to the sum of the Minimum Amount and the Debt Service Reserve Requirement and may be used only to pay any amounts due from the Commodity Supplier under the Receivables Purchase Provisions in respect of Put Receivables.

- In the event of a suspension of Commodity deliveries, J. Aron will remarket such quantities of Commodities pursuant to the Commodity Sale and Service Agreement in compliance with the requirements of the Commodity Purchase Agreement. The Commodity Purchase Agreement requires specified payments for all Commodities remarketed or purchased, less certain applicable fees.

- In the event that any non-complying remarketing sales of Commodities are not remediated within two years and exceed certain cumulative limits, a Ledger Event will occur, subject to certain provisions of the Commodity Purchase Agreement. If a Ledger Event occurs and J. Aron does not exercise the J. Aron Acceleration Option, J. Aron will be obligated to pay the Commodity Supplier, and the Commodity Supplier will be obligated to pay CVEA, scheduled amounts ("Ledger Event Payments") calculated to provide a sum sufficient (together with the interest component of the Scheduled Debt Service Deposits) to enable CVEA to pay interest on the Bonds at the Increased Interest Rate of 8.00% per annum. The Indenture provides that, subject to CVEA's receipt of such Ledger Event Payments from the Commodity Supplier, interest on the Bonds will be paid at the Increased Interest Rate after the occurrence of a Ledger Event.

- If the Commodity Swap Counterparty does not make a required payment under the CVEA Commodity Swap and such payment remains unpaid after the expiration of any grace period, the Custodian under the terms of the Commodity Supplier Custodial Agreement will pay the amount that the Commodity Supplier paid under the Commodity Supplier Commodity Swap (or in the event of termination of the Commodity Supplier Commodity Swap, the amount that the Commodity Supplier paid into the custodial account as if the Commodity Supplier Commodity Swap were still in effect), which such amount is held in custody, to CVEA, and such payment will be treated as a Commodity Swap Receipt for purposes of the Indenture.

- If a Commodity Delivery Termination Date occurs under the Commodity Purchase Agreement other than as a result of a Termination Payment Event, the Commodity Supplier is required to pay scheduled monthly amounts to CVEA in lieu of Commodity deliveries, which amounts are sufficient to enable CVEA to make the Scheduled Debt Service Deposits required by the Indenture.

- If an Event of Default occurs under the Funding Agreement, the Funding Recipient is required to pay the Final Payment Amount to the Commodity Supplier.

- If a Termination Payment Event occurs under the Commodity Purchase Agreement, the Commodity Supplier is required to pay the scheduled Termination Payment to the Trustee.

- Each of the Investment Agreement Providers has agreed to the timely payment of scheduled amounts due under the Investment Agreements, which together with other Revenues, provide sufficient monies to CVEA to pay debt service.

Performance by Others

The ability of CVEA to pay timely the scheduled debt service on the Bonds depends on the timely performance and payment by (a) the Commodity Supplier under the Commodity Purchase Agreement and the Commodity Supplier Commodity Swap, (b) the Project Participant under the Commodity Supply Contract and (c) the Investment Agreement Providers under the Investment Agreements. The failure by any one or more of such parties to meet such obligations could materially and adversely affect the ability of CVEA to pay timely the scheduled debt service on the Bonds, and to meet its other obligations under the Indenture, the Commodity Purchase Agreement, the Commodity Supply Contract and the CVEA Commodity Swap.

The ability of the Commodity Supplier to meet its performance and payment obligations under the Commodity Purchase Agreement, the Commodity Sale and Service Agreement and the Commodity Supplier Commodity Swap will depend directly and materially on timely payment by the Funding Recipient of the scheduled payments due under the Funding Agreement and on timely payment and performance by J. Aron of its obligations under the Commodity Sale and Service Agreement. The failure by the Funding Recipient or J. Aron to meet such obligations would materially and adversely affect the ability of the Commodity Supplier to meet its contract obligations to CVEA and, in turn, the ability of CVEA to meet its contract obligations to the Project Participant. The failure by the Funding Recipient to meet such obligations would materially and adversely affect the ability of CVEA to pay timely the scheduled debt service on the Bonds.

During the Gas Delivery Period under the Commodity Purchase Agreement, the events and conditions that could result in a default in the payment of debt service on the Bonds, include items that may be within or outside the control of CVEA or the Commodity Supplier (or both), such as:

- failure by the Funding Recipient to make timely payment of the scheduled amounts due under the Funding Agreement would result in an Early Termination Payment Event and a default in the payment of debt service on the Bonds;

- failure by an Investment Agreement Provider to make timely payment of the required amounts due or payable under its Investment Agreement, including upon non-payment by the Project Participant under the Commodity Supply Contract, could result in a default in the payment of debt service on the Bonds; and

- failure by the Commodity Swap Counterparty to make timely payment of the amounts due under the CVEA Commodity Swap coupled with a failure in the timely performance and enforcement of the Commodity Supplier Custodial Agreement and the Commodity Supplier Commodity Swap could result in a default in the payment of debt service on the Bonds.

Upon the occurrence of a Termination Payment Event, a Commodity Delivery Termination Date and an Early Termination Payment Date will be designated. If a Termination Payment Event occurs as the result of a payment failure by the Funding Recipient under the Funding Agreement, the Funding Recipient is required to pay the final Scheduled Withdrawal due under the Funding Agreement (i.e., the Funding Account balance) to the Commodity Supplier. If a Termination Payment Event occurs as the result of the exercise of the J. Aron Acceleration Option under the Commodity Sale and Service Agreement, J. Aron is required to pay the scheduled Termination Payment to the Commodity Supplier. In each of these circumstances, (a) the Commodity Supplier is required to pay the scheduled Termination Payment on the Early Termination Payment Date, and (b) the Bonds will be subject to extraordinary mandatory redemption on the first day of the month following the Early Termination Payment Date.

The scheduled amount of the Termination Payment, together with the amounts required to be on deposit in certain Funds and Accounts held by the Trustee, has been calculated to provide CVEA with an amount at least sufficient to redeem all of the Bonds, assuming that the Commodity Supplier, the Funding Recipient and the Investment Agreement Providers pay and perform their respective contract obligations when due. If the Termination Payment becomes payable, the Bonds are to be redeemed at their Amortized Value, regardless of reinvestment rates at the time. See "THE COMMODITY PURCHASE AGREEMENT—Early Termination" and "THE BONDS—Redemption—*Extraordinary Mandatory Redemption."*

Gas Remarketing

If the Project Participant does not require or is unable to receive all or any portion of the amounts of gas that it is obligated to purchase under the Commodity Supply Contract as a result of decreased gas requirements due to reduced generation requirements during the Gas Delivery Period or decreased demand by the Project Participant's retail customers or for other reasons permitting remarketing thereunder, it may request that CVEA arrange for the Commodity Supplier to remarket such Commodity. Under the Commodity Purchase Agreement, the Commodity Supplier has agreed, upon written notice from CVEA or the Trustee, to use commercially reasonable efforts to remarket or cause to be remarketed, on a daily or monthly basis, such amounts of gas as are identified by CVEA, including Commodities that are covered by a Remarketing Election given by the Project Participant with respect to a Reset Period. In the event that the Commodity Supplier is unable to remarket all or any portion of such Commodity, the Commodity Supplier will purchase such gas for its own account.

The Commodity Supplier has agreed to use Commercially Reasonable Efforts to remarket the gas to Municipal Utilities pursuant to provisions that are intended to maintain the tax-exempt status of interest on the Bonds ("Qualified Sales"), but, if the Commodity Supplier cannot do so, the Commodity Supplier is also permitted to remarket such gas to other governmental entities in non-private business use sales ("Non-Private Business Sales"), although it is not required to remarket gas for a net price that is less than the minimum remarketing price specified in the Commodity Purchase Agreement. If the Commodity Supplier is unable to remarket such gas in Qualified Sales or Non-Private Business Sales, it must purchase the gas for its own account (a private business use sale). Under certain circumstances and upon reaching certain thresholds that are not timely remediated, the remarketing of gas to entities other than Municipal Utilities and the purchase of gas by the Commodity Supplier could result in a Ledger Event under the Commodity Purchase Agreement.

The Commodity Supplier will depend upon performance by J. Aron under the Commodity Sale and Service Agreement to meet its commodity remarketing obligations under the Commodity Purchase Agreement, including particularly the ability of J. Aron to remarket gas in Qualified Sales to Municipal Utilities and to remediate any non-complying sales in order avoid the occurrence of a Ledger Event under the Commodity Purchase Agreement. In the event that any non-complying remarketing sales of gas are not remediated within two years and exceed certain cumulative limits, a Ledger Event will occur, subject to certain provisions of the Commodity Purchase Agreement.

The occurrence of a Ledger Event provides the Commodity Supplier with the option to designate a Commodity Delivery Termination Date, and provides J. Aron with the option, subject to the consent of the Commodity Supplier, to exercise the J. Aron Acceleration Option which, if exercised, would result in a Termination Payment Event under the Commodity Purchase Agreement and a mandatory redemption of the Bonds. If a Ledger Event occurs, and J. Aron does not exercise the J. Aron Acceleration Option, J. Aron will be obligated to pay the Commodity Supplier, and the Commodity Supplier will be obligated to pay CVEA, scheduled Ledger Event Payments calculated to provide a sum sufficient to enable CVEA to pay interest on the Bonds at the Increased Interest Rate of 8.00% per annum. The Indenture provides that, subject to CVEA's receipt of such Ledger Event Payments from the Commodity Supplier, interest on the Bonds will be paid at the Increased Interest Rate after the occurrence of a Ledger Event. See "THE COMMODITY PURCHASE AGREEMENT—Commodity Remarketing" and "—Ledger Event," "THE COMMODITY SALE AND SERVICE AGREEMENT—J. Aron as Agent" and "—Ledger Event Payments," and "THE BONDS—Increased Interest Rate Upon Ledger Event."

The Commodity Project will deliver an average of __ million MMBtu of natural gas each year to the Project Participant during the Gas Delivery Period. See "THE COMMODITY PURCHASE AGREEMENT—Commodity Remarketing."

Limitations on Exercise of Remedies

The remedies available to CVEA under the Commodity Purchase Agreement are limited to those described herein. CVEA has no rights to enforce the provisions of the Funding Agreement, the Commodity Sale and Service Agreement or the related CSSA Guaranty (defined below) provided to the Commodity Supplier. Neither the Trustee nor the Bondholders have any rights to enforce the Funding Agreement, the Commodity Sale and Service Agreement or the CSSA Guaranty. See "GSG, J. ARON AND THE COMMODITY SUPPLIER—The Commodity Supplier—Organization" for a description of certain consent and voting rights of the director appointed by CVEA to the Commodity Supplier's board of directors and related covenants of CVEA.

The remedies available to the Trustee, CVEA and the Holders of the Bonds upon an Event of Default under the Indenture are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory provisions and judicial decisions, the remedies provided in the Indenture may not be readily available or may be limited.

Insolvency of the Funding Recipient

Pacific Life is subject to regulatory oversight by the Nebraska Department of Insurance (the "Nebraska DOI") and could be subject to Nebraska insurance delinquency proceedings in the event of financial impairment or insolvency. In the event that Pacific Life becomes financially impaired or insolvent, Nebraska law gives the Nebraska DOI sweeping powers to intervene in its affairs. Specifically, Nebraska law provides that Pacific Life would be treated as a Nebraska domestic insurer for purposes of Article 48 of the Nebraska insurance law, known as the "Nebraska Insurers Supervision, Rehabilitation, and Liquidation Act," or any successor provisions, and as may be amended from time to time (the "Liquidation Act"). As a consequence, Pacific Life may not be subject to the federal bankruptcy laws. Instead, in the event of financial impairment or insolvency, the Liquidation Act could empower the Nebraska DOI to appoint a receiver to seize control of Pacific Life in order to reorganize its business or terminate its existence and liquidate its assets. See "The Funding Agreement—Insolvency of Pacific Life."

An insolvency event with respect to the Funding Recipient that results in a delay or a reduction in the payments due under the Funding Agreement will result in insufficient amounts being available to the Commodity Supplier to meet its payment obligations to CVEA and, in turn, insufficient amounts being available to CVEA for the payment of the Bonds, whether on a Bond Payment Date, the Mandatory Purchase Date or any extraordinary mandatory redemption date.

Enforceability of Contracts

The enforceability of the various legal agreements relating to the Commodity Project may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting the rights of creditors or secured parties generally and by the exercise of judicial discretion in accordance with general principles of equity and by principles of equity, public policy and commercial reasonableness. The Commodity Purchase Agreement and other agreements relating to the Commodity Project are executory contracts. If CVEA or the Funding Recipient, the Commodity Supplier, J. Aron, GSG, the Commodity Swap Counterparty, the Investment Agreement Providers, the Project Participant or any of the parties with which CVEA has contracted under such agreements (including the Commodity Purchase Agreement) is involved in a bankruptcy proceeding, the relevant agreement could be discharged in return for a claim for damages against the party's estate with uncertain value. In particular, an insolvency event with respect to the Funding Recipient that results in a delay or a reduction in the payments due under the Funding Agreement will result in insufficient amounts being available for the payment of the Bonds, whether on a Bond Payment Date, the Mandatory Purchase Date or any extraordinary

mandatory redemption date. In the event that CVEA is involved in an insolvency proceeding, the exercise of the remedies afforded to the Trustee under the Indenture may be stayed, and the availability of the Revenues necessary for the payment of the Bonds could be materially and adversely affected.

No Established Trading Market

The Bonds constitute a new issue with no established trading market. Although the Underwriter has informed CVEA that it currently intends to make a market in the Bonds, the Underwriter is not obligated to do so and may discontinue any such market making at any time without notice. There can be no assurance as to the development or liquidity of any market for the Bonds. If an active public market does not develop, the market price and liquidity of the Bonds may be adversely affected.

Loss of Tax Exemption

As described below, the opinion of Bond Counsel with respect to the exclusion of interest on the Bonds from gross income for federal income tax purposes is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bound Counsel's judgment as to the proper treatment of the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service (the "IRS") or the courts, and is not a guarantee of a result.

The Indenture, CVEA's Tax Agreement and the Project Participant's Federal Tax Certificate with respect to the Bonds, the Commodity Purchase Agreement and the Commodity Supply Contract contain various covenants and agreements on the part of CVEA, the Commodity Supplier and the Project Participant that are intended to establish and maintain the tax-exempt status of the Bonds. CVEA, the Commodity Supplier and the Project Participant have each agreed to abide by the various covenants and agreements designed to protect the tax-exempt status of the Bonds. A failure by CVEA, the Commodity Supplier or the Project Participant to comply with such covenants and agreements could, directly or indirectly, adversely affect the tax-exempt status of the Bonds.

In particular, if the Project Participant requests, or is deemed to have requested, a remarketing of Commodities under its Commodity Supply Contract and any non-complying Commodity remarketing sales are not remediated within two years and exceed certain cumulative limits, a Ledger Event will occur as described above. As described above, the occurrence of Ledger Event could adversely affect the continued tax-exempt status of interest on the Bonds, if there is not an extraordinary mandatory redemption of the Bonds or other qualified remedial action. See "THE COMMODITY PURCHASE AGREEMENT - Commodity Remarketing" and "- Ledger Event," "THE COMMODITY SALE AND SERVICE AGREEMENT - J. Aron as Agent" and "- Additional Amounts Payable Following a Ledger Event," and "THE BONDS - Increased Interest Rate for Bonds Upon Ledger Event."

In addition, in some circumstances Commodity deliveries under a Commodity Purchase Agreement could cease and the Commodity Supplier would be required to make scheduled monthly payments to CVEA in lieu of Commodity deliveries. The use of such scheduled payments (in lieu of payments made by the Project Participant under the Commodity Supply Contract) to make debt service payments could, under certain circumstances, also adversely affect the continued tax-exempt status of interest on the Bonds.

The IRS has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the IRS, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the IRS will commence an audit of the Bonds. If an audit is commenced, under current procedures the IRS may treat CVEA as a taxpayer and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome.

Any loss of the tax-exempt status of the Bonds could be retroactive to the date of issuance of the Bonds and could cause all of the interest on the Bonds to be includable in gross income for purposes of federal income taxation. The loss of the tax-exempt status of the Bonds is not a termination event under the Commodity Purchase Agreement and will not result in a mandatory redemption of the Bonds. See "THE COMMODITY PURCHASE AGREEMENT -Ledger Event" and "TAX MATTERS."

SECURITY FOR THE BONDS

The Indenture

The Bonds are limited obligations of CVEA payable solely from and secured solely by a pledge of and lien on the "Trust Estate," which is defined in the Indenture as follows: (a) the proceeds of the sale of the Bonds, (b) all right, title and interest of CVEA in, to and under the Commodity Supply Contract, (c) the Revenues, (d) any Termination Payment or the right to receive such Termination Payment, (e) all right, title and interest of CVEA in, to and under the Receivables Purchase Provisions, including payments received from the Commodity Supplier pursuant thereto, (f) all right, title and interest of CVEA in, to and under each Interest Rate Swap and the Interest Rate Swap Receipts, and (g) the Pledged Funds (but excluding Rebate Payments held in any Fund or Account), including the investment income, if any, thereof. The pledge of and lien on the Trust Estate under the Indenture is subject to (x) the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein, including use of the Revenues to pay first, Rebate Payments then due and payable, second, the Commodity Swap Payments then due and payable and third, the other Operating Expenses of the Commodity Project, and (y) a prior pledge of and lien on the Commodity Swap Reserve Account in favor of the Commodity Swap Counterparty. Any Additional Termination Payment and the right to receive any Additional Termination Payment that is payable under the Commodity Purchase Agreement is not pledged as a part of the Trust Estate.

The term "Revenues" is defined in the Indenture as follows: (a) all revenues, income, rents, user fees or charges, and receipts derived or to be derived by CVEA from or attributable or relating to the ownership and operation of the Commodity Project, including all revenues attributable or relating to the Commodity Project or to the payment of the costs thereof received or to be received by CVEA under the Commodity Supply Contract and the Commodity Purchase Agreement or otherwise payable to the Trustee for the account of CVEA for the sale and/or transportation of natural gas or electricity or otherwise with respect to the Commodity Project, (b) interest received or to be received on any moneys or securities (other than moneys or securities held in the Acquisition Account, moneys or securities held in the Redemption Account in the Debt Service Fund, or that portion of moneys in the Operating Fund required for Rebate Payments) held pursuant to the Indenture and paid or required to be paid into the Revenue Fund, and (c) any Commodity Swap Receipts received by the Trustee on behalf of CVEA. The term "Revenues" does not include (s) any Termination Payment or, if applicable, Additional Termination Payment paid pursuant to the Commodity Purchase Agreement, (t) any amounts received from the Commodity Supplier that are required to be deposited into the Commodity Remarketing Reserve Fund in accordance with the Indenture, (u) Ledger Event Payments received from the Commodity Supplier pursuant to the Commodity Purchase Agreement, (v) any Assignment Payment received from the Commodity Supplier, (w) any Interest Rate Swap Receipts, (x) payments received from the Commodity Supplier pursuant to the Receivables Purchase Provisions, (y) any Investment Agreement Breakage Amount payable to CVEA, and (z) any Seller Swap MTM Payment payable to CVEA. The Revenues are to be applied in accordance with the priorities established under the Indenture, including the prior payment from the Revenues of the Operating Expenses of the Commodity Project. See "—Flow of Funds" below.

The term "Operating Expenses" is defined in the Indenture to mean, to the extent properly allocable to the Commodity Project: (a) CVEA's expenses for operation of the Commodity Project, including all Rebate Payments; Commodity Swap Payments; costs, collateral deposits and other amounts (other than Commodity Swap Payments) necessary to maintain the CVEA Commodity Swap; and payments required under the Commodity Purchase Agreement (which may, under certain circumstances, include imbalance charges and other miscellaneous payments) or required to be incurred under or in connection with the performance of CVEA's

obligations under the Commodity Supply Contract; (b) any other current expenses or obligations required to be paid by CVEA under the provisions of the Indenture (other than Debt Service on the Bonds) or by law or required to be incurred under or in connection with the performance of CVEA's obligations under the Commodity Supply Contract; provided that, Operating Expenses shall not include any amounts owed by CVEA under the Commodity Supply Contract with respect to purchases of replacement commodities by the Project Participant; (c) fees payable by CVEA with respect to any Remarketing Agreement for the Bonds; (d) the fees and expenses (including the fees and expenses of counsel) of the Fiduciaries; (e) reasonable accounting, legal and other professional fees and expenses incurred by CVEA, including but not limited to those relating to the administration of the Trust Estate and compliance by CVEA with its continuing disclosure obligations, if any, with respect to the Bonds; (f) the costs of any insurance premiums incurred by CVEA, including, without limitation, directors and officers liability insurance; and (g) fees of rating agencies necessary to maintain ratings on the Bonds. Litigation judgments and settlements and indemnification payments in connection with the payment of any litigation judgment or settlement and Extraordinary Expenses are not Operating Expenses.

THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF CVEA AND THE PRINCIPAL AND REDEMPTION PRICE OF, AND INTEREST ON, THE BONDS ARE PAYABLE SOLEY FROM THE TRUST ESTATE. THE BONDS DO NOT CONSTITUTE A DEBT OR LIABILITY OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN CVEA, BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS PROVIDED THEREFOR UNDER THE INDENTURE. THE BONDS DO NOT CONSTITUTE A DEBT OR LIABILITY OF TID OR ANY OTHER MEMBER OF CVEA. CVEA SHALL NOT BE OBLIGATED TO PAY THE PRINCIPAL OR THE REDEMPTION PRICE OF OR INTEREST ON THE BONDS EXCEPT FROM THE FUNDS PROVIDED THEREFOR UNDER THE INDENTURE AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF, INCLUDING CVEA, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE BONDS. THE ISSUANCE OF THE BONDS SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY OR TO PLEDGE ANY FORM OF TAXATION OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. CVEA HAS NO TAXING POWER.

THE OBLIGATION OF THE PROJECT PARTICIPANT TO MAKE PAYMENTS TO CVEA UNDER THE COMMODITY SUPPLY CONTRACT IS NOT, NOR SHALL IT BE CONSTRUED AS, A GUARANTY OR ENDORSEMENT OF OR A SURETY FOR, THE BONDS. SUCH OBLIGATION OF THE PROJECT PARTICIPANT IS NOT A GENERAL OBLIGATION OF THE PROJECT PARTICIPANT, AND IS PAYABLE SOLELY FROM THE REVENUES DERIVED FROM THE OPERATION OF ITS UTILITY SYSTEM. THE INDENTURE DOES NOT MORTGAGE THE COMMODITY PROJECT OR ANY TANGIBLE PROPERTIES OR ASSETS OF CVEA OR THE PROJECT PARTICIPANT.

See APPENDIX C for the meanings of certain defined terms, and see APPENDIX D for a further description of certain provisions of the Indenture.

Flow of Funds

All Revenues are required by the Indenture to be deposited upon receipt thereof to the credit of the Revenue Fund. Moneys must be disbursed from the Revenue Fund monthly, on or before the days and to the extent and in the manner and order set forth below:

First, into the Operating Fund, not later than the 25th day of such Month, the amount, if any, required so that the balance therein shall equal the amount estimated to be necessary for the payment of Commodity Swap Payments coming due for such Month and other Operating Expenses coming due for the following Month (but no such payments or expenses for any prior Month, and in each case, as confirmed and instructed by a Written Request of CVEA delivered to the Trustee on a timely basis); provided that, in the event that the amount on deposit in the Operating Fund is not sufficient to pay the Commodity Swap Payments due in any Month, the

amount available therein shall be applied to the payment of the amounts due under the CVEA Commodity Swap then in effect;

Second, into the Debt Service Fund, not later than the last Business Day of such Month for the credit to the Debt Service Account an amount equal to the greater of (A) the Scheduled Debt Service Deposit, as set forth in Schedule II to the Indenture, or (B) the amount necessary to cause the cumulative Scheduled Debt Service Deposits to be on deposit therein (without credit for undisbursed Interest Rate Swap Receipts on deposit therein);

Third, into the Commodity Swap Reserve Account in the Project Fund, not later than the last Business Day of such Month, the amount, if any, required so that the balance in the Commodity Swap Reserve Account is at least equal to the Minimum Amount;

Fourth, into the Debt Service Fund, not later than the last Business Day of such Month, for deposit in the Debt Service Reserve Account, the amount, if any, required so that the balance in such Debt Service Reserve Account shall equal the Debt Service Reserve Requirement related thereto as of the last day of the then current Month; and

Fifth, to the Commodity Supplier, not later than the last Business Day of such Month, the amount, if any, required for the repurchase of Call Receivables and Put Receivables and the payment of interest on all receivables sold to the Commodity Supplier pursuant to the Receivables Purchase Provisions.

If, after a scheduled monthly deposit to the Debt Service Account, the balance therein is below the cumulative Scheduled Debt Service Deposits for such month as specified in the Indenture, the Trustee shall (i) promptly notify CVEA of such deficiency whereupon CVEA shall immediately, if it has not previously done so, if the Project Participant is in default under the Commodity Supply Contract, suspend all deliveries of all quantities of natural gas or electricity to the Project Participant, and (ii) promptly give notice to the Commodity Supplier to follow the provisions set forth in the remarketing provisions of the Commodity Purchase Agreement.

In each Month during which (a) there is a deposit of Revenues into the Revenue Fund and (b) payment of a Principal Installment is due, after making such transfers, credits and deposits as described in the first paragraph of this section "Flow of Funds," and after the applicable Principal Installment payment date, the Trustee shall credit to the General Fund the remaining balance in the Revenue Fund. See "Revenues and Revenue Fund; Deposits of Other Amounts" and "Payments from Revenue Fund" in APPENDIX D.

As noted above, certain amounts are payable to the Trustee but do not constitute Revenues and are not deposited into the Revenue Fund, including (a) any Termination Payment received under the Commodity Purchase Agreement, which is to be deposited directly into the Redemption Account of the Debt Service Fund, (b) any Assignment Payment shall be deposited directly into the Assignment Payment Fund, (c) amounts received from the Commodity Supplier under the Receivables Purchase Provisions shall be deposited by the Trustee into the Debt Service Account, the Commodity Swap Reserve Account, Redemption Account or the Operating Fund, as provided in the Indenture, (d) any Interest Rate Swap Receipts shall be deposited directly into the Debt Service Account, (e) any Seller Swap MTM Payment shall be deposited into the Swap Termination Account and applied as provided in the Indenture, (f) any amounts to be deposited into the Commodity Remarketing Reserve Fund shall be deposited directly therein, (g) any Additional Termination Payment shall be paid to, or upon written instructions provided by, CVEA, (h) Ledger Event Payments received from the Commodity Supplier pursuant to the Commodity Purchase Agreement shall be deposited directly into the Debt Service Account, and (i) any Investment Agreement Breakage Amount payable to CVEA shall be deposited into the Investment Agreement Breakage Account.

Debt Service Account

The Indenture establishes a Debt Service Account, which is held by the Trustee. The amounts deposited into the Debt Service Account, including capitalized interest deposited on the Initial Issue Date, must be held in

such Account and applied to the payment of Debt Service payable on the Bonds on each Bond Payment Date when due and to the payment of the Redemption Price of and accrued interest on Bonds to be redeemed on each redemption date. Amounts on deposit in the Debt Service Account will be invested pursuant to the Debt Service Account Investment Agreement, which will permit scheduled withdrawals to pay debt service on the Bonds and, in the case of extraordinary redemption, to pay the Redemption Price without penalty or market value adjustments.

In the event that, two Business Days next preceding the final maturity date of the Bonds, the Trustee determines that (i) the balance in the Commodity Swap Reserve Account is less than the Minimum Amount, and/or (ii) the balance in the Debt Service Reserve Account is less than the Debt Service Reserve Requirement and sufficient funds will not be available to pay the principal of and interest on the Bonds coming due on such final maturity date, the Trustee is required to prepare and deliver to the Commodity Supplier and the SPE Master Custodian the Put Option Notice pursuant to the Receivables Purchase Provisions with respect to Put Receivables, provided that the amount of Put Receivables sold pursuant to the Receivables Purchase Provisions are not in excess of the aggregate amount required, when taking into account other available funds under the Indenture, to (1) restore the balance in the Commodity Reserve Account to an amount equal to the Minimum Amount, and (2) to pay the maturing principal amount of and interest on the Bonds in full. On or before two Business Days next preceding such final maturity date, the Trustee is required to deliver to the Commodity Supplier the bill of sale and certificates required by the Receivables Purchase Provisions. Under the Indenture, the Trustee is authorized to sell the Put Receivables then owed by the Project Participant under the Commodity Supply Contract pursuant to the Receivables Purchase Provisions (as contemplated by the Indenture) and to take all actions on its part necessary in connection therewith. All amounts received by the Trustee pursuant to the Receivables Purchase Provisions in respect of Put Receivables sold pursuant to the Indenture to fund amounts then due under the CVEA Commodity Swap must be deposited in the Commodity Swap Reserve Account, and all amounts received by the Trustee pursuant to the Receivables Purchase Provisions in respect of Put Receivables sold pursuant to the Indenture to fund Debt Service must be deposited in the Debt Service Account and applied to payment of principal of and interest on the Bonds on the final maturity date. At all times, the Trustee, but only as directed by CVEA as described in this paragraph, will direct the SPE Master Custodian all amounts on deposit under the SPE Master Custodial Agreement in the Commodity Supplier Put Receivables Account (as defined in the SPE Master Custodial Agreement) to be invested in Qualified Investments that mature or are payable not later than such times as shall be necessary to provide moneys when needed for payments to be made from the Commodity Supplier Put Receivables Account. Consistent with the requirements for Qualified Investments described immediately above, CVEA in the Indenture directs the Trustee to cause all such amounts on deposit in the Commodity Supplier Put Receivables Account to be invested in either (i) money market funds meeting the requirements of paragraph (h) under Qualified Investments or (ii) in any other Qualified Investment as may be directed by CVEA under a Written Direction. To the extent any amounts become due from the Commodity Supplier in respect of any Put Receivables, the Trustee is required to notify the SPE Master Custodian pursuant to the terms of the Receivables Purchase Provisions and the SPE Master Custodial Agreement of the amounts so due and the account where such amounts should be deposited such that those amounts will be paid directly from the Commodity Supplier Put Receivables Account to the appropriate account under the Indenture.

Debt Service Reserve Account

The Indenture establishes a Debt Service Reserve Account which is held by the Trustee. Amounts in the Debt Service Reserve Account must be applied only to (a) make the required monthly deposits to the Debt Service Account when the Revenues and other available amounts are insufficient as a result of the Project Participant failing to make a payment under the Commodity Supply Contract when due or (b) redeem or defease Bonds. Whenever the moneys on deposit in the Debt Service Reserve Account exceed the Debt Service Reserve Requirement, the Trustee is required to transfer such excess to the Revenue Fund.

The Debt Service Reserve Requirement is $13,800,000*, which approximately equals the maximum two consecutive months of Scheduled Debt Service Deposits to be made to the Debt Service Account during the Initial Interest Rate Period from the amounts payable by the Project Participant under the Commodity Supply Contract. On the date of issuance of the Bonds, CVEA will deposit an amount equal to the Debt Service Reserve Requirement into the Debt Service Reserve Account, which amount will be invested pursuant to the Reserve Accounts Investment Agreement. See "ESTIMATED SOURCES AND USES OF FUNDS" below. See also "—Investment of Funds" below.

Redemption Account

The Indenture establishes a Redemption Account, which is held by the Trustee. On any Early Termination Payment Date under the Commodity Purchase Agreement, the Commodity Supplier is directed to pay the Termination Payment directly to the Trustee for the account of CVEA. The Trustee will deposit the Termination Payment into the Redemption Account. All amounts received by the Trustee pursuant to the Receivables Purchase Provisions in respect of Put Receivables sold pursuant to the Indenture to fund the redemption of the Bonds are to be deposited in the Redemption Account. Amounts deposited into the Redemption Account are to be applied by the Trustee to the payment of the Redemption Price of and interest on the Bonds pursuant to the Indenture as described under "THE BONDS—Redemption—*Extraordinary Mandatory Redemption*."

Commodity Swap Reserve Account

The Indenture establishes a Commodity Swap Reserve Account in the Project Fund, which is held by the Trustee. CVEA will deposit in the Commodity Swap Reserve Account a portion of the proceeds in an amount equal to $5,000,000* (the "Minimum Amount"), which shall be applied by the Trustee to the payment of Commodity Swap Payments in the event the amounts on deposit in the Operating Fund are not sufficient to make such payments; provided, that (a) in the event that the amount on deposit in the Commodity Swap Reserve Account is not sufficient to pay the Commodity Swap Payments due in any Month, the amount available in the Commodity Swap Reserve Account shall be applied pro rata to the payment of the amounts due under the CVEA Commodity Swap then in effect, (b) any amounts in the Commodity Swap Reserve Account in excess of the Minimum Amount shall be transferred by the Trustee to the Revenue Fund and (c) any amounts remaining on deposit in the Commodity Swap Reserve Account on the final date for payment of the principal of the Bonds, whether upon maturity, redemption or acceleration, shall be applied to make such payment. The amount deposited in the Commodity Swap Reserve Account will be invested pursuant to the Reserve Accounts Investment Agreement. Allocation of the sources and uses of amounts on deposit from time to time in the Commodity Swap Reserve Account will be made in accordance with the Tax Agreement. See "THE COMMODITY PURCHASE AGREEMENT –Receivables Purchase Provisions" and "–Investment of Funds" below.

No Additional Bonds

Other than the Bonds and any refunding bonds, no additional bonds may be issued under the Indenture.

Amendment of Indenture

CVEA and the Trustee may, subject to the conditions and restrictions in the Indenture, enter into a Supplemental Indenture or Indentures without the consent of the Bondholders for certain purposes and upon the satisfaction of certain conditions. See "Supplemental Indentures Not Requiring Consent of Bondholders," "General Provisions" and "Powers of Amendment" in APPENDIX D hereto.

* *Preliminary, subject to change.*

Investment of Funds

Subject to the provisions of the Indenture, amounts on deposit in the Funds and Accounts may be invested in, among other things, guaranteed investment contracts, forward delivery agreements or similar agreements that provide for a specified rate of return over a specified time period with providers rated (or whose financial obligations to CVEA receive credit support from an entity rated) at the time the investment is made at the Minimum Rating or such a rating that will allow the Bonds to be rated at the same level as the credit rating or financial strength rating of the Funding Recipient. See APPENDIX C—DEFINITIONS OF CERTAIN TERMS and "Investment of Certain Funds" in APPENDIX D.

On the Initial Issue Date of the Bonds, it is expected that the Trustee will enter into one or more investment agreements with respect to the Debt Service Account (the "Debt Service Account Investment Agreement") and the Commodity Swap Reserve Account and the Debt Service Reserve Account (the "Reserve Accounts Investment Agreements" and, together with the Debt Service Account Investment Agreement, the "Investment Agreements"). Each Investment Agreement will have a term coterminous with the Interest Rate Period and is required to meet all of the criteria of a Qualified Investment under the Indenture. The Investment Agreements will be bid out on the day of Bond pricing to qualified investment providers.

Required qualifications for the initial Investment Agreement providers (the "Investment Agreement Providers") include: (a) a minimum credit rating requirement for the provider (or its guarantor) of at least "Aa3" from Moody's with respect to the Reserve Accounts Investment Agreements and at least "A1" from Moody's with respect to the Debt Service Account Investment Agreement, (b) a requirement that upon a credit rating withdrawal, suspension or downgrade of an Investment Agreement Provider (or its guarantor) below the lower of "Baa1" by Moody's or the then-current credit rating of the Funding Recipient, the Investment Agreement Provider will provide a credit remedy, such as providing credit support, or CVEA will have the right to terminate the Investment Agreement and (c) a requirement that upon a credit downgrade of the provider (or its guarantor) below the "Baa3" by Moody's, CVEA will have the option to termination the Investment Agreement.

If an Investment Agreement terminates, all invested funds are returned to the Trustee and market value adjustment payment is made or receive, as applicable.

Each Investment Agreement will provide for a fixed interest rate to be paid on the funds invested. The Debt Service Account Investment Agreement will provide for scheduled withdrawals in connection with each Bond Payment Date. The Reserve Accounts Investment Agreement will permit (a) withdrawals from the Commodity Swap Reserve Account to make up payment shortfalls to the Commodity Swap Counterparty, and (b) withdrawals from the Debt Service Reserve Account to cure any deficiencies in the Debt Service Account. Upon transaction termination, whether by extraordinary mandatory redemption or final maturity, the funds invested under the Investment Agreements will be used to pay the redemption price or debt service due on the Bonds.

Enforcement of Project Agreements

Commodity Supply Contract. CVEA has covenanted in the Indenture that it will enforce the provisions of the Commodity Supply Contract, as well as any other contract or contracts entered into by CVEA relating to the Commodity Project, and that it will duly perform its covenants and agreements thereunder.

CVEA has also covenanted to exercise promptly its right to suspend all Commodity deliveries under the Commodity Supply Contract if the Project Participant fails to pay when due any amounts owed thereunder and to promptly give notice to the Commodity Supplier to follow the Commodity remarketing provisions of the Commodity Purchase Agreement for each Month of such suspension with respect to the quantities of Commodities for which deliveries have been suspended.

In the event that the Project Participant delivers a Call Option Notice electing to have its contract quantity of natural gas or electricity remarketed for the duration of any Reset Period, CVEA will promptly give notice to the Commodity Supplier to follow the provisions set forth in the Remarketing Exhibit to the Commodity Purchase Agreement for each Month of such Reset Period with respect to any quantities of Commodities that would otherwise have been delivered to the Project Participant. See "THE RE-PRICING AGREEMENT."

CVEA has further covenanted that it will not consent or agree to or permit any termination, rescission, amendment, any assignment or novation of, or otherwise take any action under or in connection with the Commodity Supply Contract that will impair the ability of CVEA to comply during the current or any future year with the collection of fees and charges pursuant to the Indenture without a Rating Confirmation. Under the Indenture, upon the satisfaction of certain conditions, including delivery of a Rating Confirmation, CVEA may amend the Commodity Supply Contract or assign all or a portion of the Project Participant's rights and obligations under the Commodity Supply Contract.

Trustee as Agent. Under the Indenture, CVEA has appointed, authorized and directed the Trustee as its agent, subject to the terms of the Indenture, to issue notices and to take any other actions that CVEA is required or permitted to take under (a) the Commodity Supply Contract, (b) the Commodity Purchase Agreement, (c) the Receivables Purchase Provisions, and (d) the CVEA Commodity Swap. CVEA has retained, in the absence of any conflicting action by the Trustee, the right to exercise any rights for which it has appointed the Trustee as its agent in accordance with the foregoing, and the foregoing will not be construed, and nothing in the Indenture is intended, to impose upon the Trustee or constitute an assumption by the Trustee of any of the obligations or liabilities of CVEA under the Commodity Supply Contract, the Commodity Purchase Agreement, or the Receivables Purchase Provisions, or to release, discharge or in any way diminish any of the obligations or liabilities of CVEA thereunder; provided, however, if an Event of Default has occurred and is continuing, the Trustee will, upon receiving Bondholder direction and indemnity satisfactory to it, have the right to notify CVEA to cease exercising such rights and, upon CVEA's receipt of such notice with a copy provided to the Project Participant under the Commodity Supply Contract, and the Commodity Supplier under the Commodity Purchase Agreement, the Trustee will have exclusive authority to exercise such rights.

Commodity Purchase Agreement. CVEA has covenanted in the Indenture that it will enforce the provisions of the Commodity Purchase Agreement and that it will duly perform its covenants and agreements under the Commodity Purchase Agreement.

The Trustee will promptly notify CVEA upon becoming aware of any payment default that has occurred and is continuing on the part of the Commodity Supplier under the Commodity Purchase Agreement. CVEA will provide the Trustee with Written Notice of the Early Termination Payment Date (a) by 12:00 noon, New York City time, on the fifth Business Day preceding a Mandatory Purchase Date if an amount equal to the Purchase Price of the Bonds that are subject to such Mandatory Purchase Date has not been deposited with the Trustee and (b) in all other cases, not more than five days after such date is determined.

CVEA has further covenanted that it will not consent or agree to or permit any assignment of, recission of or amendment to or otherwise take any action under or in connection with the Commodity Purchase Agreement which would in any manner materially impair or materially adversely affect its rights thereunder or the rights or security of the Bondholders under the Indenture; provided, that the Commodity Purchase Agreement may be assigned or amended without Bondholder consent upon receipt of a Rating Confirmation with respect to such assignment or amendment.

CVEA Commodity Swap. Amounts due to CVEA under the CVEA Commodity Swap are payable directly to the Trustee for deposit into the Revenue Fund. The following restrictions apply to the replacement or termination of the CVEA Commodity Swap:

(a) CVEA agrees that it will not exercise any right to declare an early termination date under the CVEA Commodity Swap unless either (i) it has entered into a replacement CVEA Commodity Swap in

accordance with the provisions described below, and such replacement CVEA Commodity Swap will be effective as of such early termination date and cover price exposure from and after such early termination date, or (ii) a "Commodity Delivery Termination Date" has occurred or has been designated under (and as such term is defined in) the Commodity Purchase Agreement prior to or as of such early termination date.

(b) CVEA may replace the CVEA Commodity Swap (and any related guaranty of a Commodity Swap Counterparty's obligations thereunder) with a similar agreement for the same hedging purposes with an alternate Commodity Swap Counterparty at any time upon delivery to the Trustee of a Rating Confirmation.

(c) If the CVEA Commodity Swap is subject to termination (or, in the case of clause (ii) below, is terminated) by either party in accordance with its terms, then (i) CVEA may, subject to clause (a) above, terminate such CVEA Commodity Swap if CVEA has the right to do so, and (ii) (A) CVEA may replace such CVEA Commodity Swap by exercising its right to increase its notional quantities under another CVEA Commodity Swap with another Commodity Swap Counterparty if such CVEA Commodity Swap is in effect and is not subject to termination, or (B) if CVEA cannot increase its notional quantities as described in clause (A) or if CVEA desires to enter into a new CVEA Commodity Swap in order to reduce its notional quantities under the CVEA Commodity Swap to their level previous following an increase of such notional quantities under clause (A), CVEA may enter into a replacement CVEA Commodity Swap with an alternate Commodity Swap Counterparty without Rating Confirmation, but only if the replacement CVEA Commodity Swap is identical in all material respects to the existing CVEA Commodity Swap, except for the identity of the Commodity Swap Counterparty, and (1) the replacement Commodity Swap Counterparty (or its credit support provider under such CVEA Commodity Swap) is then rated at least the lower of (a) the Minimum Rating or (b) the rating then assigned by each Rating Agency to the Bonds, and (2) such replacement Commodity Swap Counterparty enters into a replacement Commodity Supplier Custodial Agreement with the Commodity Supplier and the Custodian that is identical in all material respects to the existing Commodity Supplier Custodial Agreement for the Commodity Swap being replaced.

If the CVEA Commodity Swap is not otherwise replaced but the Commodity Supplier is obligated under the Commodity Supplier Custodial Agreement to continue paying Commodity Swap Receipts in the same amount that would have applied under such CVEA Commodity Swap, then such CVEA Commodity Swap will be deemed to be replaced by such obligation under such Commodity Supplier Custodial Agreement and such obligation under the Commodity Supplier Custodial Agreement will be treated as the CVEA Commodity Swap thereafter until such terminated CVEA Commodity Swap is otherwise replaced by another CVEA Commodity Swap.

Upon the occurrence of a Commodity Swap Replacement Event (defined below), CVEA agrees in the Indenture that it shall notify the Commodity Supplier of such event pursuant to the Commodity Purchase Agreement, and in accordance with the Commodity Purchase Agreement, either (a) replace the affected CVEA Commodity Swap by exercising its right to increase its notional quantities under an CVEA Commodity Swap with another Commodity Swap Counterparty if such a Commodity Swap is in effect and is not subject to termination, and otherwise (b) use its good faith efforts to replace such CVEA Commodity Swap with an alternate CVEA Commodity Swap during the swap replacement period as set forth in the Commodity Purchase Agreement. A "Commodity Swap Replacement Event" occurs if (x) the CVEA Commodity Swap terminates, (y) CVEA or the Swap Counterparty delivers a termination notice under the CVEA Commodity Swap or (z) the CVEA Commodity Swap is otherwise reasonably anticipated to become subject to immediate termination.

ESTIMATED SOURCES AND USES OF FUNDS

The sources and uses of funds in connection with the issuance of the Bonds are approximately as follows:

SOURCES:	
Par Amount	$
Original Issue Premium	
Total Sources	$
USES:	
Capitalized Interest	$
Project Fund[(1)]	
Debt Service Reserve Account	
Commodity Swap Reserve Account	
Costs of Issuance[(2)]	
Total Uses	$

(1) Includes prepayment to the Commodity Supplier.

(3) Includes management, consulting, underwriting, rating agency, Trustee, municipal advisor and legal fees and other expenses related to the issuance of the Bonds and the acquisition of the Commodity Project.

THE BONDS

General

The Bonds will mature (subject to redemption as described below) on the dates and in the principal amounts shown on the inside cover page of this Official Statement. The Bonds will be initially issued in denominations of $5,000 and any integral multiple thereof (an "Authorized Denomination"). The Bonds will be initially issued in book-entry only form through the facilities of The Depository Trust Company, New York, New York ("DTC"). See "—Book-Entry System" below and APPENDIX G for a description of DTC and its book-entry system.

Interest

During the Initial Interest Rate Period, the Bonds will bear interest at the fixed rates for such maturity shown on the inside cover page of this Official Statement. During the Initial Interest Rate Period, interest on the Bonds will be payable semiannually on each February 1 and August 1, commencing August 1, 2025*. Interest on the Bonds will be computed on the basis of a 360-day year of twelve 30-day months.

After the Initial Interest Rate Period, the Bonds that remain Outstanding may be remarketed into another Fixed Rate Period or may be remarketed or converted to a Daily Interest Rate Period, a Weekly Interest Rate Period, a Commercial Paper Interest Rate Period or an Index Rate Period. ***This Official Statement describes the terms of the Bonds only during the Initial Interest Rate Period and must not be relied upon after the Bonds have been converted to another Interest Rate Period***.

Interest on any Bond that is payable, and is punctually paid or duly provided for on any Interest Payment Date, shall be paid to the Person in whose name that Bond is registered at the close of business on the 15th day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date").

Any interest on any Bond that is payable, but is not punctually paid or duly provided for on any Interest Payment Date ("Defaulted Interest"), shall forthwith cease to be payable to the Person who was the registered owner on the relevant Regular Record Date; and such Defaulted Interest shall be paid by CVEA to the Persons in whose names the Bonds are registered at the close of business on a date (the "Special Record Date") for the

payment of such Defaulted Interest, which shall be fixed in the following manner: CVEA shall notify the Bond Registrar in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment, and at the same time CVEA shall deposit with the Paying Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as provided in the Indenture. The Bond Registrar will then fix a Special Record Date for the payment of such Defaulted Interest which will be not more than 15 days or less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Bond Registrar of written notice of the proposed payment. The Bond Registrar shall promptly notify CVEA of such Special Record Date and, in the name and at the expense of CVEA, will cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each Bondholder at its address as it appears upon the registry books, not less than 10 days prior to such Special Record Date.

Increased Interest Rate Upon Ledger Event

If a Ledger Event occurs and J. Aron does not exercise the J. Aron Acceleration Option, J. Aron will be obligated to pay the Commodity Supplier, and pursuant to the Commodity Purchase Agreement, the Commodity Supplier will be obligated to pay CVEA, scheduled Ledger Event Payments calculated to provide a sum sufficient (together with the interest component of the Scheduled Debt Service Deposits) to enable CVEA to pay interest on the Bonds at the Increased Interest Rate of 8.00% per annum. The Indenture provides that, subject to CVEA's receipt of such Ledger Event Payments from the Commodity Supplier, interest on the Bonds will be paid at the Increased Interest Rate from and including the day on which a Ledger Event occurs. If the Increased Interest Rate Period ends due to the occurrence of a Termination Payment Event, then the Bonds will bear interest at the rate(s) shown on the inside cover page of this Official Statement from and including the date of such Termination Payment Event to the associated extraordinary redemption date of the Bonds. If the Increased Interest Rate Period ends due to the failure of the Commodity Supplier to pay Ledger Event Payments due pursuant to the Commodity Purchase Agreement, then the Bonds will bear interest at the rate(s) shown on the inside cover page of this Official Statement from and including the Interest Payment Date immediately succeeding the last date on which the Commodity Supplier paid the Ledger Event Payments required by the Commodity Purchase Agreement until the earlier of their stated maturity, the Mandatory Purchase Date or any prior redemption date. Under the Commodity Purchase Agreement, any Ledger Event would occur on and as of the first day of a Month.

See "THE COMMODITY PURCHASE AGREEMENT—Ledger Event" below for a description of the provisions of the Commodity Purchase Agreement relating to a Ledger Event and the amounts payable by the Commodity Supplier to CVEA following a Ledger Event. See "THE COMMODITY SALE AND SERVICE AGREEMENT—Ledger Event Payments" below for a description of the provisions of the Commodity Sale and Service Agreement relating to the amounts payable by J. Aron to the Commodity Supplier following a Ledger Event.

Interest on the Bonds at the Increased Interest Rate will be payable on each regular Interest Payment Date, any redemption date and the Mandatory Purchase Date. CVEA will give prompt notice to the Trustee of (i) the occurrence and date of a Ledger Event, and (ii) the occurrence and date of any Termination Payment Event. Interest on the Bonds at an Increased Interest Rate will be computed on the basis of a 360-day year consisting of twelve 30-day months and will be payable in the same manner as the interest borne by the Bonds on the Initial Issue Date.

For purposes of the Indenture:

(a) any Ledger Event Payments received by CVEA from the Commodity Supplier in respect of a Ledger Event shall not constitute an item of "Revenues" and shall be deposited directly into the Debt Service Account; and

(b) the Scheduled Debt Service Deposits required by the Indenture shall be computed on the basis of the interest rates borne by the Bonds on the Initial Issue Date and shall not be re-computed in the event that the Bonds bear interest at an Increased Interest Rate.

Tender

Mandatory Tender. The Bonds maturing on December 1, 2055 are required to be tendered for purchase on August 1, 2035 (the "Mandatory Purchase Date"), which is the day following the end of the Initial Interest Rate Period. The Purchase Price of the Bonds on the Mandatory Purchase Date is equal to 100% of the principal amount thereof and is payable in immediately available funds *first* from amounts on deposit in the Remarketing Proceeds Account established by the Indenture and *second* from amounts on deposit in the Issuer Purchase Account established by the Indenture. Accrued interest due on the Bonds on the Mandatory Purchase Date, which is an Interest Payment Date, shall be paid from amounts in the Debt Service Account of the Debt Service Fund on such date.

The Purchase Price of each Bond on the Mandatory Purchase Date shall be payable only upon surrender of such Bond to the Trustee at its designated corporate trust office, accompanied by an instrument of transfer thereof in form satisfactory to the Trustee, executed in blank by the Owner thereof or by the Owner's duly-authorized attorney, with such signature guaranteed by a commercial bank, trust company or member firm of the New York Stock Exchange at or prior to 10:00 a.m., New York City time, on the date specified for such delivery in a notice provided to the Owners by the Trustee, such notice to be given no less than 30 days prior to the Mandatory Purchase Date. In the event that any Owner of a Bond so subject to mandatory tender for purchase shall not surrender such Bond to the Trustee for purchase on the Mandatory Purchase Date, then such Bond shall be deemed to be an Undelivered Bond, and no interest shall accrue thereon on and after such Mandatory Purchase Date and the Owner thereof shall have no rights under the Indenture other than to receive payment of the Purchase Price thereof.

Failed Remarketing. Under the Indenture, "Failed Remarketing" means the failure (i) of the Trustee to receive the Purchase Price of any Bond required to be purchased on a Mandatory Purchase Date by 12:00 noon, New York City time, on the fifth Business Day preceding such Mandatory Purchase Date or (ii) to purchase or redeem such Bond in whole by such Mandatory Purchase Date (including from any funds on deposit in the Assignment Payment Fund and required to be used for such redemption). A Failed Remarketing is a Termination Payment Event, and will result in an Early Termination Payment Date, under the Commodity Purchase Agreement, and the extraordinary redemption of the Bonds on the Mandatory Purchase Date. Such an extraordinary redemption of the Bonds has the same economic effect on Bondholders as a mandatory tender of the Bonds on the Mandatory Purchase Date.

No Optional Tender. The Bonds are ***not*** subject to optional tender by Bondholders during the Initial Interest Rate Period.

Redemption

Optional Redemption of Bonds. The Bonds are subject to redemption at the option of CVEA in whole or in part (in such amounts and by such maturities as may be specified by CVEA and by lot within a maturity) on any date at a Redemption Price, calculated by a quotation agent selected by CVEA, equal to the greater of:

(a) the sum of the present values of the remaining unpaid payments of principal and interest to be paid on the Bonds to be redeemed from and including the date of redemption (not including any portion of the interest accrued and unpaid as of the redemption date) to the earlier of (i) the stated maturity date(s) of such Bonds or (ii) the Mandatory Purchase Date, discounted to the date of redemption on a semiannual basis at a discount rate equal to the Applicable Tax-Exempt Municipal Bond Rate (as defined in APPENDIX C) for such Bonds minus 0.25% per annum; provided, however, that if the Applicable Tax-Exempt Municipal Bond Rate results in a discount rate less than zero percent (0%), such discount shall be zero percent (0%) in any event, and

(b) the Amortized Value thereof (described below);

in each case plus accrued and unpaid interest to the date of redemption at the Fixed Rate or an Increased Interest Rate, whichever is then in effect.

The Bonds maturing on and after the Mandatory Purchase Date are also subject to redemption at the option of CVEA in whole or in part on and after the first Business Day of the third month preceding the Mandatory Purchase Date at a Redemption Price, calculated by a quotation agent selected by CVEA, equal to the Amortized Value thereof as of the date of redemption, plus $0.__ per $1,000 of the principal amount thereof and accrued and unpaid interest to the date of redemption; provided that, if the optional redemption date is the Mandatory Purchase Date, the Redemption Price will be 100% of the principal amount thereof plus accrued and unpaid interest to the date of redemption. In lieu of optionally redeeming Bonds pursuant to this provision, the Trustee may, upon the Written Direction of CVEA, use such funds as may be available by CVEA or as are otherwise available under the Indenture to purchase such Bonds at a Purchase Price equal to the applicable Redemption Price of such Bonds. Any Bonds so purchased may be remarketed in a new Interest Rate Period or may be cancelled by the Trustee, in either case as set forth in the Written Direction of CVEA.

"Amortized Value" means, with respect to any Bond to be redeemed during the Initial Interest Rate Period, the principal amount of such Bond multiplied by the price of such Bond expressed as a percentage, calculated by a major market maker in municipal securities, as the quotation agent, selected by CVEA, based on the industry standard method of calculating bond prices (as such industry standard prevails on the date of delivery of the Bonds), with a delivery date equal to the date of redemption, a maturity date equal to the earlier of (a) the stated maturity date of such Bond, or (b) the Fixed Rate Tender Date of such Bond and a yield equal to such Bond's original reoffering yield (as set forth on the inside cover page of this Official Statement). The Amortized Value of the Bonds as of certain dates during the Initial Interest Rate Period is shown on APPENDIX H.

Extraordinary Mandatory Redemption. The Bonds are subject to mandatory redemption prior to maturity in whole, and not in part, on the first day of the Month following the Early Termination Payment Date, which redemption date in the case of a Failed Remarketing will be the same day as the affected Mandatory Purchase Date, at a Redemption Price equal to the Amortized Value thereof, as calculated by a quotation agent selected by CVEA, plus accrued and unpaid interest to the redemption date.

See APPENDIX H for a schedule showing the Redemption Price (excluding accrued interest) of all of the Bonds upon an extraordinary mandatory redemption following an Early Termination Payment Date that occurs during the Initial Interest Rate Period.

CVEA shall provide the Trustee with Written Notice of the Early Termination Payment Date (x) by 12:00 noon New York City time on the fifth Business Day preceding a Mandatory Purchase Date if an amount equal to the Purchase Price of the Bonds that are subject to such Mandatory Purchase Date has not been deposited with the Trustee, and (y) in all other cases, not more than five days after such date is determined.

Mandatory Sinking Fund Redemption. The Bonds maturing ____ 1, 20__ are subject to redemption prior to their stated maturity in part (by lot) from Sinking Fund Installments, at the principal amount thereof, without premium, on each of the dates set forth below and in the following amounts:

Date	***Sinking Fund Installment***	***Date***	***Sinking Fund Installment***

* Stated maturity.

Notice of Redemption. In the case of early redemption of Bonds, the Trustee must cause notice of such redemption to be given to the Holder of any Bonds designated for redemption, in whole or in part, at such Holder's address as the same shall last appear upon the registration books maintained by the Trustee, by mailing a copy of the redemption notice, by first-class mail, postage prepaid, not less than 20 days (15 days in the case of an extraordinary mandatory redemption described above) (or such shorter time as may be permitted by the Securities Depository) and not more than 45 days (30 days in the case of an extraordinary mandatory redemption described in the preceding paragraph) prior to the redemption date.

Each notice of redemption must identify the Bonds to be redeemed and state (i) the redemption date, (ii) the Redemption Price or the manner in which it will be calculated, (iii) that the Bonds called for redemption must be surrendered to collect the Redemption Price, (iv) the address or addresses of the Trustee at which the Bonds redeemed must be surrendered, and (v) that interest on the Bonds called for redemption ceases to accrue on the redemption date. Failure of the registered owner of any Bonds which are to be redeemed to receive any such notice, or any defect in such notice, will not affect the validity of the proceedings for the redemption of any other Bonds as to which proper notice was given as provided in the Indenture. In the case of an extraordinary redemption of Bonds due to a Failed Remarketing as provided in the Indenture, notice of redemption will be deemed given by the notice of mandatory tender required to be given under the Indenture for the mandatory tender of Bonds pursuant to the Indenture and the Trustee will not be required to give a separate notice of such redemption.

In the event that the Bonds become subject to extraordinary redemption as a result of a Failed Remarketing that could occur if the Trustee has not received the Purchase Price of the Bonds by 12:00 noon, New York City time on the fifth Business Day preceding a Mandatory Purchase Date, a notice of extraordinary redemption of the Bonds may be a conditional notice of redemption, delivered in each case not less than 15 days prior to such Mandatory Purchase Date, stating that: (a) such redemption shall be conditioned upon the Trustee's failure to receive, by 12:00 noon New York City time on the fifth Business Day preceding such Mandatory Purchase Date, the Purchase Price of the Bonds required to be purchased on such Mandatory Purchase Date, and (b) if the full amount of the Purchase Price has been received by the Trustee by 12:00 noon ,New York City time on the fifth Business Day preceding such Mandatory Purchase Date, the Bonds shall be purchased pursuant to mandatory tender on such Mandatory Purchase Date rather than redeemed. If the full amount of the Purchase Price has been received by the Trustee by 12:00 noon New York City time on the fifth Business Day preceding

such Mandatory Purchase Date, the Trustee shall withdraw such conditional notice of redemption prior to such Mandatory Purchase Date and the Bonds shall be purchased pursuant to mandatory tender on such Mandatory Purchase Date rather than redeemed.

With respect to any notice of optional redemption of Bonds, unless upon the giving of such notice such Bonds will be deemed to have been paid under the Indenture, such notice must state that such redemption will be conditioned upon the receipt by the Trustee on or prior to the date fixed for such redemption of money sufficient to pay the Redemption Price of and interest on the Bonds to be redeemed, and that if such money shall not have been so received said notice will be of no force and effect, and CVEA will not be required to redeem such Bonds. In the event that such notice of redemption contains such a condition and such money is not so received, the redemption will not be made and the Trustee must within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such money was not so received and that such redemption was not made.

Effect of Redemption. Notice having been given in the manner provided in the Indenture, and, in the case of optional redemption, moneys for payment of the Redemption Price of, together with interest accrued to the redemption date on, the Bonds or portions thereof so called for redemption being held by the Trustee, the Bonds or portions thereof so called for redemption will become due and payable on the redemption date so designated at the Redemption Price, plus interest accrued and unpaid to the redemption date, and, upon presentation and surrender thereof at the office specified in such notice, such Bonds, or portions thereof, shall be paid at the Redemption Price, plus interest accrued and unpaid to the redemption date. If there is drawn for redemption less than all of a Bond, CVEA will execute and the Trustee will authenticate and the Paying Agent will deliver, upon the surrender of such Bond, without charge to the owner thereof, for the unredeemed balance of the principal amount of the Bonds so surrendered, Bonds of like maturity in any of the Authorized Denominations. If, on the redemption date, moneys for the redemption of all the Bonds or portions thereof of any like maturity to be redeemed, together with interest to the redemption date, are held by the Paying Agent so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the redemption date interest on the Bonds or portions thereof of so called for redemption will cease to accrue and become payable. If said moneys are not so available on the redemption date, such Bonds or portions thereof will continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption. Upon the payment of the Redemption Price of and any accrued interest on the Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Partial Redemption of Bonds. If less than all of the Bonds of like maturity and Series are called for redemption, the particular Bonds or portions of Bonds to be redeemed will be selected by lot in such manner as the Trustee determines, in its sole discretion, from Bonds not previously called for redemption; provided, however, that the portion of any Bond of a denomination of more than a minimum Authorized Denomination to be redeemed will be in the principal amount of such minimum Authorized Denomination or a multiple thereof, and that, in selecting portions of such Bonds for redemption, the Trustee will treat each such Bond as representing that number of Bonds of a minimum Authorized Denomination which is obtained by dividing by such minimum Authorized Denomination the principal amount of such Bond to be redeemed in part (and, provided, further, however, that any Bonds held in the Book-Entry System shall be subject to the rules and procedures of DTC, as the Securities Depository). Upon surrender of any Bond called for redemption in part, CVEA must execute, and the Trustee must authenticate and deliver to the Holder thereof, a new Bond or Bonds in Authorized Denominations and the same series and maturity in an aggregate principal amount equal to the unredeemed portion of the Bond surrendered.

Book-Entry System

The Bonds will be initially issued in book-entry only form through the facilities of DTC. The Bonds will be transferable and exchangeable as set forth in the Indenture and, when issued, will be registered in the name of Cede & Co., as nominee of DTC. DTC will act as securities depository for the Bonds. So long as Cede

& Co. is the registered owner of the Bonds, principal of and premium, if any, and interest on the Bonds are payable by wire transfer by the Trustee to Cede & Co., as nominee for DTC, which, in turn, will remit such amounts to DTC participants for subsequent disbursement to the Beneficial Owners. See APPENDIX G—"BOOK-ENTRY SYSTEM."

REVENUES AND DEBT SERVICE REQUIREMENTS

The following table shows for each bond year during the Initial Interest Rate Period (a) the expected Revenues of the Commodity Project (net of receipts and payments under the CVEA Commodity Swap), (b) the Debt Service requirements on the Bonds, (c) the expected Operating Expenses of the Commodity Project (excluding payments under the CVEA Commodity Swap), and (d) the resulting surplus funds to CVEA.

Year Ending August 1	*Estimated Revenues*				*Debt Service*			*Operating Expenses[5]*	*Surplus*
	Commodity Sales[1]	*Interest Earnings[2]*	*Other Amounts[3]*	*Total*	*Principal[4]*	*Interest*	*Total*		
Total									

(1) Commodity Sales includes payments received by CVEA under the Commodity Supply Contract and net receipts/payments under the CVEA Commodity Swap.
(2) Available interest earnings under the Investment Agreements.
(3) Other Amounts consists of capitalized interest, total reserve amounts, remaining commodity value and required balances in the Debt Service Account.
(4) Principal due in ___ includes amount due at scheduled maturity and on the Mandatory Purchase Date.
(5) Estimated Operating Expenses (excludes Commodity Swap Payments and any Rebate Payments).

As of the Mandatory Purchase Date, $_____ principal amount of the Bonds will remain outstanding, and is required to be purchased pursuant to mandatory tender.

THE COMMODITY PURCHASE AGREEMENT

Set forth below is a summary of certain provisions of the Commodity Purchase Agreement relating to the purchase and sale of natural gas during the Gas Delivery Period. Pursuant to terms of the Commodity Purchase Agreement, the Electricity Delivery Period will not commence until after the end of the Initial Interest Period and after the Mandatory Purchase Date for the Bonds. This summary does not purport to be a complete description of the terms and conditions of the Commodity Purchase Agreement and accordingly is qualified by reference to the full text thereof.

Purchase and Sale

Under the Commodity Purchase Agreement, the Commodity Supplier agrees to deliver specified daily quantities of natural gas each month during the Gas Delivery Period at a fixed price, and CVEA has agreed to make a lump sum advance payment to the Commodity Supplier for all of the cost of the gas to be delivered during the Gas Delivery Period (as well as the electricity to be delivered during the Electricity Delivery Period). The total quantity of gas to be delivered by the Commodity Supplier during the Initial Reset Period is expected to be approximately 71.1 million MMBtu.

Delivery of Gas

During the Gas Delivery Period, the Commodity Supplier is required to deliver fixed, pre-determined quantities of gas at the primary delivery point specified in the Commodity Purchase Agreement or to an alternate delivery point mutually agreed to by the Commodity Supplier, CVEA and the Project Participant. The Contract

Quantity of gas required to be delivered on each day during the term of the Gas Delivery Period matches the Contract Quantity of gas that CVEA has agreed to deliver to the Project Participant under the Commodity Supply Contract. The approximate aggregate daily quantities of gas to be delivered under the Commodity Purchase Agreement during the Gas Delivery Period range from a high of approximately 34,000 MMBtu of gas in some months to 8,000 MMBtu in other months.

To facilitate the initial gas deliveries under the Commodity Purchase Agreement, the Project Participant expects to assign a portion of its rights and obligations under two existing gas supply contracts (each, an "Assigned Upstream Supply Contract") to J. Aron under related assignment agreements (each, a "Gas Assignment Agreement"). Prior to the expiration or upon any termination of the respective initial Assigned Upstream Supply Contracts, the Project Participant may assign replacement Assigned Upstream Supply Contract to J. Aron. If the Project Participant does not assign a replacement Assigned Upstream Supply Contract to J. Aron or if a replacement Assigned Upstream Supply Contract is not in place at any time for any reason, the Commodity Supplier will deliver market gas to CVEA for sale to the Project Participant under the Commodity Supply Contract.

If the quantity of Assigned Gas that is delivered under an Assigned Upstream Supply Contract is less than the Assigned Gas Quantity in any day for any reason other than force majeure, CVEA will be deemed to have requested the Commodity Supplier to remarket the portion of the Contract Quantity not delivered and a payment will be required from the Commodity Supplier as described under "Failure to Deliver or Receive Commodities" below.

Failure to Deliver or Receive Gas

Because CVEA will have prepaid for all of the natural gas to be delivered under the Commodity Purchase Agreement, the Commodity Supplier will be required to pay CVEA for all gas that the Commodity Supplier fails to deliver or CVEA fails to receive for any reason, including events of force majeure. The amount the Commodity Supplier is required to pay is equal to the quantity that was not delivered or received multiplied by a price that is determined in a manner depending upon the reason for such failure:

- If the Commodity Supplier breaches its obligation to deliver gas (i.e., for reasons other than force majeure or action or inaction by CVEA) other than Assigned Gas, CVEA shall exercise Commercially Reasonable Efforts to purchase Replacement Gas, and the Commodity Supplier is required to pay the higher of (a) the replacement costs incurred by CVEA or the Project Participant to purchase replacement gas, including in some instances replacement gas purchased after the fact to replace any stored gas that was used to cover the delivery shortfall, or (b) the Contract Index Price, plus a specified administrative fee of per unit of undelivered gas or electricity. If no replacement gas is actually purchased to cover the delivery shortfall, the Commodity Supplier is required to pay CVEA the Contract Index Price during the Gas Delivery Period.

- If CVEA breaches its obligation to take gas (i.e., for reasons other than force majeure or action or inaction by the Commodity Supplier) other than Assigned Gas, the Commodity Supplier is required to pay the lesser of the Contract Index Price or a daily low market index price, less specified remarketing fees and administrative fees.

- If either the Commodity Supplier fails to deliver Commodities or CVEA fails to receive Commodities due to events of force majeure, the Commodity Supplier is required to pay (a) during the Gas Delivery Period, the Contract Index Price (or a fixed price if the Project Participant assigns a fixed price Upstream Supply Contract).

- If either the Commodity Supplier fails to deliver Commodities or CVEA fails to receive Assigned Gas for any reason other than force majeure, CVEA will be deemed to have requested the Commodity Supplier to remarket the portion of the Contract Quantity not delivered. The

Commodity Supplier will sell such portion in a private business use sale and will pay CVEA the product of (a) the portion of the Contract Quantity not delivered and (b) the Contract Specified Price minus the applicable Remarketing Fee. All such sales made by the Commodity Supplier will be entered on the private business sales ledger that is maintained pursuant to the Commodity Purchase Agreement. See "Commodity Remarketing" below. The "Contract Specified Price" is the Contract Index Price for each gas delivery point (or a fixed price for Assigned Gas if the Project Participant assigns a fixed price Upstream Supply Contract).

Gas Remarketing

CVEA agrees to request (and in the case of (c) below is deemed to request) that the Commodity Supplier remarket to other purchasers all or a specified portion of the gas to be delivered under the Commodity Purchase Agreement by delivering Monthly Remarketing Notices or Daily Remarketing Notices as provided in the Commodity Purchase Agreement, if (1) the Project Participant is in default under the Commodity Supply Contract or (2) the Project Participant (i) does not require or is unable to receive all or any portion of the gas purchased by CVEA under the Commodity Purchase Agreement and (ii) requests that such gas be remarketed as a result of (a) the Project Participant's decreased gas requirements due to reduced generation requirements during the Gas Delivery Period, (b) decreased demand by the Project Participant's retail customers and (c) a quantity of gas less than the [Assigned Daily Quantity], as provided in a Gas Assignment Agreement, is taken or delivered on any Gas Day during an assignment period under a Gas Assignment Agreement for any reason other than a force majeure. In addition, except for instances where CVEA's performance is excused due to a force majeure, if, on any Gas Day during the Gas Delivery Period, CVEA breaches its obligation to take all or a portion of the Contract Quantity of gas, CVEA will be deemed to request remarketing with respect to the portion not taken. J. Aron has agreed to provide all services necessary for the Commodity Supplier to meet its commodity remarketing obligations under the Commodity Purchase Agreement. See "THE COMMODITY SALE AND SERVICE AGREEMENT — J. Aron as Agent."

There are three types of potential remarketing sales when proper notice has been tendered: qualified sales to Municipal Utilities, non-private business use sales and private business use sales. The Commodity Supplier is required to use Commercially Reasonable Efforts to remarket gas first in qualified sales and next in non-private business use sales. If the Commodity Supplier is unable to remarket the gas designated in a remarketing notice in qualified sales or in non-private business use sales, it will purchase such gas. Under the Commodity Sale and Service Agreement, the Commodity Supplier delegates, and J. Aron assumes, all of the Commodity Supplier's gas remarketing obligations under the remarketing provisions of the Commodity Purchase Agreement. See "THE COMMODITY SALE AND SERVICE AGREEMENT—J. Aron as Agent—*Commodities Remarketing."*

The amounts payable by the Commodity Supplier for gas remarketed are based on the actual sale proceeds or the amounts based on the Contract Specified Price, depending on the timing of the notice given by CVEA and the type of remarketing, less specified remarketing fees and administrative fees.

The Commodity Supplier must track in dollar and commodity unit ledgers information relating to the remarketing proceeds and the quantities of gas remarketed, including sales made to the Project Participant and other Municipal Utilities, to non-private business users and to private business users. CVEA will seek to make additional qualified sales, and the Commodity Supplier will seek to locate opportunities for CVEA to purchase gas to sell in additional qualified sales, in each case to reduce the ledger amounts associated with non-private and private business use sales.

Assigned Gas. If the quantity of Assigned Gas that is delivered under an Assigned Upstream Supply Contract is less than the Assigned Gas Quantity in on any gas day for any reason other than force majeure, CVEA will be deemed to have requested the Commodity Supplier to remarket the portion of the Contract Quantity not delivered. The Commodity Supplier will sell such portion in a private business use sale and will pay CVEA the product of (a) the portion of the Contract Quantity not delivered and (b) the Contract Specified Price minus the

applicable remarketing fee. All such sales made by the Commodity Supplier will be entered on the private business sales ledger that is maintained pursuant to the Commodity Purchase Agreement.

Ledger Event

The Commodity Supplier is required to use Commercially Reasonable Efforts to remarket gas first in Qualified Sales and next in Non-Private Business Sales. If the Commodity Supplier is unable to remarket the gas designated in a remarketing notice in Qualified Sales or in Non-Private Business Sales, it will purchase the gas for its own account. To the extent the Commodity Supplier purchases such gas for its own account or remarkets such Commodity other than in Qualified Sales to Municipal Utilities, CVEA will exercise commercially reasonable efforts to use the proceeds of such remarketing to purchase gas for resale in Qualified Sales. The Commodity Supplier may also propose that CVEA use such proceeds to purchase gas for sale to Municipal Utilities identified by the Commodity Supplier.

The Commodity Supplier will maintain a ledger set that accounts for private business use remarketing sales of gas and non-qualified remarketing sales of gas. If there is a remaining balance on the ledger set two years after any remarketing of gas in a private business use sale or a non-qualified sale, such balance will count against:

(a) in the case of private business use sales, a limit equal to a quantity of gas (in MMBtu) that is equal to $15 million divided by the fixed price per MMBtu under the Commodity Purchase Agreement, and

(b) in the case of non-qualified sales, a limit on the quantity of gas (in MMBtu) equal to 10% of the total quantity of gas to be delivered under the Commodity Purchase Agreement (calculated assuming the Switch Date never occurs)

in each case, subject to any higher amount as may be set forth in an opinion of Special Tax Counsel. Each of the above limits apply in the aggregate over the term of the Commodity Purchase Agreement. In the event that any limit is exceeded, a "Ledger Event" will occur under the Commodity Purchase Agreement, unless CVEA receives an opinion of Special Tax Counsel to the effect that such event will not cause interest on the applicable Bonds to be included in gross income for U.S. federal income tax purposes. The occurrence of a Ledger Event could cause interest on the Bonds to become subject to federal income taxation, possibly retroactive to their Initial Issue Date.

CVEA has covenanted in Continuing Disclosure Undertaking for the Bonds to provide notices of (a) private business use sales and non-qualified sales of gas that are not remediated within twelve months and (b) the occurrence of a Ledger Event. See the caption "CONTINUING DISCLOSURE" herein.

A Ledger Event provides the Commodity Supplier (at the sole determination of the CVEA-appointed director) with the option, but not an obligation, to designate a Commodity Delivery Termination Date under the Commodity Purchase Agreement. If a Commodity Delivery Termination Date is designated by the Commodity Supplier due to the occurrence of a Ledger Event, J. Aron has the option (with the consent of the Commodity Supplier), but has no obligation, to exercise the J. Aron Acceleration Option under the Commodity Sale and Service Agreement to pay the Termination Payment to the Commodity Supplier. A Ledger Event does not by itself result in a Termination Payment Event, but the exercise of the J. Aron Acceleration Option would result in a Termination Payment Event under the Commodity Purchase Agreement and the mandatory redemption of all of the Bonds. See "—Early Termination—*Termination Payment Event*" below.

Following the occurrence of a Ledger Event, the Commodity Supplier is obligated to pay to CVEA any amounts that become payable by J. Aron to the Commodity Supplier pursuant to the Commodity Sale and Service Agreement as a result of such Ledger Event. See "THE COMMODITY SALE AND SERVICE AGREEMENT—Ledger Event Payments" and "THE BONDS—Increased Interest Rate Upon Ledger Event."

Payment Provisions

The prepayment from CVEA to the Commodity Supplier will be due prior to the inception of the term of the Commodity Purchase Agreement. To the extent amounts become payable by the Commodity Supplier (for example, as a result of a remarketing or a failure to deliver by the Commodity Supplier), such amounts are due on the 22nd day of the month following the month in which such amount accrues (or, if later, the tenth day following receipt of an invoice). Amounts payable by CVEA are due on the 25th day of the month following the month in which such amounts accrue (or, if later, the tenth day following receipt of an invoice).

Force Majeure

Each of CVEA and the Commodity Supplier are excused from their respective obligations to receive and deliver gas under the Commodity Purchase Agreement to the extent prevented by force majeure, defined generally as an event or circumstance which prevents one party from performing its obligations under the Commodity Purchase Agreement, which event or circumstance was not anticipated as of the date of the execution of the Commodity Purchase Agreement, which is not within the reasonable control of, or the result of the negligence of, the claiming party, and which, by the exercise of due diligence, the claiming party is unable to overcome or avoid or cause to be avoided. This excuse to performance includes such events as natural disasters, unusually extreme or severe weather related events, interruption or curtailment of gas transportation or storage, government actions, and strikes.

Assignment

Neither party may assign its rights under the Commodity Purchase Agreement without the other party's consent except:

(a) pursuant to the Indenture, CVEA may transfer, sell, pledge, encumber or assign the Commodity Purchase Agreement to the Trustee in connection with a financing arrangement; provided that CVEA may not assign its rights under the Commodity Purchase Agreement unless, contemporaneously with the effectiveness of such assignment, CVEA also assigns the CVEA Commodity Swap (and the CVEA Custodial Agreement) to the same assignee; and

(b) the Commodity Supplier may assign the Commodity Purchase Agreement to an affiliate of the Commodity Supplier, which assignment shall constitute a novation; provided that the assignee agrees to be bound by the terms and conditions of the Commodity Purchase Agreement and (i) the Commodity Supplier delivers a Rating Confirmation to CVEA with respect to such assignment, (ii) contemporaneously with the effectiveness of such assignment, the Commodity Supplier also assigns the Commodity Supplier Commodity Swap, the Commodity Supplier Custodial Agreement and the SPE Master Custodial Agreement to the same assignee and either (A) the Commodity Supplier assigns the Funding Agreement and the Commodity Sale and Service Agreement to the same assignee or (B) the assignee provides to CVEA a guarantee by GSG of the assignee's obligations under the Commodity Purchase Agreement and GSG continues to guarantee the obligations of J. Aron (or any successor to or assignee of J. Aron) under the Commodity Sale and Service Agreement, and (iii) the assignee is a special purpose entity approved by CVEA or its obligations under the Commodity Purchase Agreement are guaranteed by a Funding Recipient to the satisfaction of CVEA.

If either (a) the Commodity Supplier notifies CVEA that the Funding Agreement will not be replaced, re-financed or re-priced as of the end of any Interest Rate Period for the Bonds, (b) the Commodity Supplier is unable to provide, under the Re-Pricing Agreement, an estimated Available Discount for any Reset Period that is equal to or greater than the applicable minimum discount under the Commodity Supply Contract or (c) CVEA can provide reasonable evidence that the Commodity Supplier's estimated Reset Period Implied Rate (as defined in the Re-Pricing Agreement) is materially less than the rate the Commodity Supplier would offer to a substantially similar counterparty in an arm's length transaction on the same date, then, at the request of CVEA, the Commodity Supplier will reasonably cooperate with CVEA to cause the Commodity Supplier's (or the

Commodity Supplier's affiliate's) interest in the Commodity Purchase Agreement, the Re-Pricing Agreement, the Commodity Supplier Commodity Swap, any specified investment agreement with a term that extends past the then-current interest rare period to which the Commodity Supplier (or the Commodity Supplier's affiliate) is a party and all agreements related to any of the foregoing to be novated to a replacement seller. The Commodity Purchase Agreement and the Indenture impose certain requirements for any such novation, including the delivery of a Rating Confirmation.

Funding Agreement

Except (a) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Funding Agreement, (b) to insert such provisions clarifying matters or questions arising under the Funding Agreement as are necessary or desirable and are not contrary to or inconsistent therewith or (c) to convert or supplement any provision in a manner consistent with the intent of the Funding Agreement and the other Transaction Documents, the Commodity Supplier agrees in the Commodity Purchase Agreement that it shall not agree to any amendment, alteration, assignment or modification to the Funding Agreement without receipt of a Rating Confirmation and the prior written consent of CVEA; provided that the consent of CVEA shall not be required in connection with (i) the replacement, refinancing or re-pricing of the Funding Agreement at the end of any Interest Rate Period in accordance with the terms of the Funding Agreement or (ii) the Commodity Supplier's assignment of its interest in the Funding Agreement or consent to Funding Recipient's assignment of its interest in the Funding Agreement to the extent the Commodity Supplier provides a Rating Confirmation to CVEA with respect to any such assignment.

If an Early Termination Payment Date is designated under the Commodity Purchase Agreement, the Commodity Supplier agrees that it will promptly withdraw the entire amount of the Funding Account under the Funding Agreement, to the extent permitted by the terms thereof.

Early Termination

A Commodity Delivery Termination Date will occur automatically under the Commodity Purchase Agreement upon the occurrence of a Termination Payment Event (which includes a Failed Remarketing with respect to the Bonds) or an Automatic Commodity Delivery Termination Event (as such terms are described below). Upon the occurrence of an Optional Commodity Delivery Termination Event (as described below), a Commodity Delivery Termination Date may be designated by the Commodity Supplier, as described below. If a Commodity Delivery Termination Date occurs, the Delivery Period under the Commodity Purchase Agreement will end and, if the Commodity Delivery Termination Date occurs as a result of a Termination Payment Event, the Commodity Supplier will be required to make the payment or payments described under "Remedies and Termination" below.

Termination Payment Event. A Termination Payment Event will occur under the Commodity Purchase Agreement if:

- the Commodity Supplier fails to pay when due any amounts owed to CVEA under the Commodity Purchase Agreement because of a failure by the Funding Recipient to pay when due any amounts owed to the Commodity Supplier pursuant to the Funding Agreement and such failure continues for 30 days after CVEA gives notice thereof to the Commodity Supplier;

- as of one week prior to the beginning of the first month following a Reset Period, either (a) CVEA has not entered into a bond purchase agreement, firm remarketing agreement or similar agreement with respect to the remarketing or refunding of the Bonds or (b) the Commodity Supplier is unable to replace, refinance or re-price the Funding Agreement for a subsequent Reset Period;

- a Failed Remarketing occurs;

- both (a) the Project Participant makes a Remarketing Election for a Reset Period, and (b) J. Aron exercises its option to designate a CSSA Early Termination Date under the Commodity Sale and Service Agreement; or

- both (a) a Commodity Delivery Termination Date occurs or is designated by the Commodity Supplier under the Commodity Purchase Agreement due to a Ledger Event and (b) J. Aron (with the consent of the Commodity Supplier) exercises the J. Aron Acceleration Option to pay the Termination Payment to the Commodity Supplier under the Commodity Sale and Service Agreement.

Optional Commodity Delivery Termination Events. The Commodity Supplier will have the right to designate a Commodity Delivery Termination Date under the Commodity Purchase Agreement under the following circumstances:

- a Ledger Event occurs; or

- except in the case where an Automatic Commodity Delivery Termination Event has occurred, both (a) an early termination date under the CVEA Commodity Swap is designated by the Commodity Swap Counterparty or occurs automatically based on a termination event where CVEA is the sole affected party and (b) either the CVEA Commodity Swap or the Commodity Supplier Commodity Swap is not replaced within the Swap Replacement Period.

Automatic Commodity Delivery Termination Events. A Commodity Delivery Termination Date will occur automatically, that will not result on its own as a Termination Payment Event, under the Commodity Purchase Agreement under the following circumstances:

- following receipt of an offer by the Trustee to sell Swap Deficiency Receivables under the Receivables Purchase Provisions, the Commodity Supplier does not exercise (or is deemed not to have exercised) its related option to purchase Swap Deficiency Receivables within the timeline set forth in the Receivables Purchase Provisions;

- both (a) a CSSA Early Termination Date occurs under the Commodity Sale and Service Agreement, and (b) the Commodity Supplier is unable to enter into a replacement Commodity Sale and Service Agreement in compliance with the requirements of the Commodity Purchase Agreement by the date that is 120 days following such early termination date;

- an early termination date under the CVEA Commodity Swap is designated by the Commodity Swap Counterparty based on an event of default due to CVEA's insolvency or bankruptcy; or

- both (a) an early termination date under the Commodity Supplier Commodity Swap is designated by the Commodity Swap Counterparty based on an event of default where the Commodity Supplier is the defaulting party or a termination event where the Commodity Supplier is the sole affected party, or otherwise occurs automatically (other than as a result of termination of the Commodity Purchase Agreement based on a Ledger Event or an early termination of the CVEA Commodity Swap) and (b) either the Commodity Supplier Commodity Swap or the CVEA Commodity Swap is not replaced within the Swap Replacement Period.

Replacement of Commodity Swaps

CVEA and the Commodity Supplier agree in the Commodity Purchase Agreement that if any Commodity Swap terminates, is being terminated or is expected to be terminated, then:

(a) (i) if an CVEA Commodity Swap and a Commodity Supplier Commodity Swap with another Commodity Swap Counterparty are in effect and are not subject to termination, CVEA and the Commodity Supplier will exercise any rights they may have to increase their notional quantities thereunder in order to replace the Commodity Swap affected by the events described above and (ii) subsequent to such a replacement, CVEA and the Commodity Supplier will cooperate in good faith to locate replacement agreements with a second Commodity Swap Counterparty and, upon locating such second Commodity Swap Counterparty, CVEA and the Commodity Supplier will reduce their notional quantities under the remaining Commodity Swaps to their original levels and enter into replacement Commodity Swaps with the replacement Commodity Swap Counterparty for the remaining notional quantities; and

(b) if CVEA and the Commodity Supplier cannot increase the notional quantities of the Commodity Swaps as described in (a) above, they will cooperate in good faith to locate replacement agreements with an alternate Swap Counterparty to replace both of the Commodity Swaps within the Swap Replacement Period.

The "Swap Replacement Period" is the period that begins on the earlier of the date of (x) any termination of the CVEA Commodity Swap or the Commodity Supplier Swap designated by the Commodity Swap Counterparty and (y) delivery of a notice of anticipated termination of the CVEA Commodity Swap or the Commodity Supplier Swap by a Commodity Swap Counterparty, and, with certain exceptions, ends 120 days later, if the CVEA and the Commodity Supplier continue to make payments to each other under the Custodial Agreements during such time (otherwise, with certain exceptions, 60 days later).

Remedies and Termination Payment

Commodity Delivery Termination Date. A Commodity Delivery Termination Date will occur automatically upon the occurrence of a Termination Payment Event or an Automatic Commodity Delivery Termination Event. If an Optional Commodity Delivery Termination Event has occurred and is continuing, then the Commodity Supplier, as described above, may designate a Commodity Delivery Termination Date.

End of Delivery Period. As of the Commodity Delivery Termination Date:

(a) the Delivery Period will end;

(b) the obligation of CVEA to receive deliveries of Commodities will terminate; and

(c) the obligation of the Commodity Supplier to make any further deliveries of Commodities will terminate and, unless such Commodity Delivery Termination Date resulted from a Termination Payment Event, will be replaced with a continuing obligation of the Commodity Supplier to pay scheduled monthly amounts to CVEA until the earlier of (i) the Month in which a Termination Payment Event occurs and (ii) the last due date for such scheduled payments.

The Commodity Purchase Agreement will continue in effect after the Commodity Delivery Termination Date occurs. The occurrence of a Commodity Delivery Termination Date will not prevent the contemporaneous or subsequent occurrence of a Termination Payment Event.

Termination Payment; Early Termination Payment Date. Following a Termination Payment Event, the Commodity Supplier is required to pay the Termination Payment to the Trustee on the Early Termination Payment Date. The "Early Termination Payment Date" is the last Business Day of the first Month that

commences after a Termination Payment Event occurs. In the case of a Termination Payment Event that results from a Failed Remarketing, the Early Termination Payment Date will be the last Business Day of the current Interest Rate Period. The obligation of the Commodity Supplier to pay the Termination Payment on the Early Termination Payment Date is unconditional, and the Commodity Supplier waives all rights to set-off, counterclaim, recoupment and any other defenses that might otherwise be available with regard to its obligation to pay the Termination Payment on the Early Termination Payment Date.

The amount of the Termination Payment is set forth on a schedule to the Commodity Purchase Agreement. The Termination Payment payable by the Commodity Supplier, together with the amounts required to be on deposit in certain Funds and Accounts held by the Trustee, has been calculated to provide a sum at least sufficient to pay the Redemption Price of the Bonds, assuming that the Funding Recipient, the Project Participant, the Commodity Supplier and the Investment Agreement Providers pay and perform their respective contract obligations when due. If the Debt Service Reserve Account is depleted due to payment defaults by the Project Participant and is not timely replenished, the Termination Payment and the other available funds held under the Indenture will likely not be adequate to redeem the Bonds in full. See APPENDIX I for a schedule of the Termination Payment as of specified Early Termination Payment Dates under the Commodity Purchase Agreement.

Receivables Purchase Provisions

General. Under certain circumstances, the Commodity Supplier has agreed to purchase from the Trustee the rights to payment of net amounts owed by the Project Participant under the Commodity Supply Contract. Under the Receivables Purchase Provisions and as agent for CVEA, the Trustee has the option to put such Put Receivables to the Commodity Supplier under the circumstances described below under "Put Option," and the Indenture directs the Trustee to exercise this option. In addition, under the circumstances described below under "Swap Deficiency Receivables" and "Elective Receivables," the Commodity Supplier has the option to purchase from the Trustee the rights to payment of certain Call Receivables.

Put Option. If (a) an Early Termination Payment Date is established under the Commodity Purchase Agreement or upon the final maturity date of the Bonds, and (b) as a result of non-payment by the Project Participant under the Commodity Supply Contract (i) the balance in the Commodity Swap Reserve Account is less than the Minimum Amount and/or (ii) the balance in the Debt Service Reserve Account is less than the Debt Service Reserve Requirement and sufficient funds will not be available to pay the Redemption Price or maturing principal of and interest on the Bonds, the Indenture requires the Trustee to put to the Commodity Supplier, and the Commodity Supplier then has an obligation to purchase, Put Receivables with a face value sufficient to restore the balances in the Commodity Swap Reserve Account and the Debt Service Reserve Account to the Minimum Amount and the Debt Service Reserve Requirement, respectively.

The Commodity Supplier Put Receivables Account is held by the SPE Master Custodian and funded in an amount equal to the sum of the Minimum Amount and the Debt Service Reserve Requirement and may be used only to pay any amounts due from the Commodity Supplier under the Receivables Purchase Provisions in respect to Put Receivables. See "GSG, J. ARON AND THE COMMODITY SUPPLIER-The Commodity Supplier-*SPE Master Custodial Agreement*."

The maximum amount payable by the Commodity Supplier for such Put Receivables is effectively limited to $18,000,000[*] in the aggregate, which equals the sum of the Debt Service Reserve Requirement and the Minimum Amount required to be on deposit in the Commodity Swap Reserve Account, and such amount will be reduced by any amounts on deposit in the Commodity Swap Reserve Account or the Debt Service Reserve Account, respectively. The Commodity Supplier's obligation to purchase Put Receivables is subject to the condition that the representations and warranties made by CVEA regarding its title to and validity of the Put

[*] *Preliminary; subject to change.*

Receivables be true and correct on each date that the Commodity Supplier is required to purchase Put Receivables.

Swap Deficiency Receivables. If the Project Participant defaults on its obligation to make any payment under the Commodity Supply Contract, and such payment default results in a Swap Payment Deficiency, then on the next succeeding Business Day, CVEA shall deliver a written offer (a "Swap Deficiency Receivables Offer") to sell to the Commodity Supplier a receivables relating to such payment default ("Swap Deficiency Receivables") in an amount (such amount, less any undisputed amounts owed by CVEA to the Project Participant under the Commodity Supply Contract, the "Swap Deficiency Receivables Amount") to fund such Swap Payment Deficiency. No later than one Business Day following the Commodity Supplier's receipt of a Swap Deficiency Receivables Offer, the Commodity Supplier may elect, in its discretion, to purchase the Swap Deficiency Receivables referenced in the Swap Deficiency Receivables Offer by delivering a written notice (a "Call Option Notice") to CVEA and the Trustee of the Commodity Supplier's intent to purchase such Swap Deficiency Receivables. If the Commodity Supplier does not deliver a Call Option Notice to CVEA on or before the Business Day following the Commodity Supplier's receipt of a Swap Deficiency Receivables Offer, the Commodity Supplier will be deemed to have elected not to purchase the referenced Swap Deficiency Receivables, which constitutes an Automatic Commodity Delivery Termination Event under the Commodity Purchase Agreement.

Elective Receivables. If the Project Participant defaults on its obligation to make any payment under the Commodity Supply Contract and such payment default does not result in a Swap Payment Deficiency, the Trustee shall deliver a written offer (an "Elective Receivables Offer") to sell to the Commodity Supplier the receivables relating to such payment default ("Elective Receivables" and, together with Swap Deficiency Receivables, "Call Receivables"). Any time after the Commodity Supplier's receipt of an Elective Receivables Offer, the Commodity Supplier may elect, in its discretion, to purchase the Elective Receivables referenced in the Elective Receivables Offer by delivering a written notice to CVEA and the Trustee of the Commodity Supplier's intent to purchase such Elective Receivables. The failure of the Commodity Supplier to make such election to purchase Swap Deficiency Receivables does ***not*** constitute an Automatic Commodity Delivery Termination Event under the Commodity Purchase Agreement.

Conditions to Purchase and Sale of Call Receivables. CVEA's obligation to offer to sell such Call Receivables is subject to the condition that all of the representations and warranties made by the Commodity Supplier at the time of execution and delivery of the Receivables Purchase Provisions be true and correct on each day that the Trustee is required to offer to sell Call Receivables.

Call Receivables Purchase by J. Aron. Under the Commodity Sale and Service Agreement, J. Aron has agreed to purchase any Call Receivable purchased by the Commodity Supplier under the Receivables Purchase Provisions; provided that J. Aron's obligation to purchase Call Receivables is subject to it having provided its prior written consent to the purchase of such Call Receivables by the Commodity Supplier. See "THE COMMODITY SALE AND SERVICE AGREEMENT."

THE RE-PRICING AGREEMENT

Set forth below is a summary of certain provisions of the Re-Pricing Agreement. This summary does not purport to be a complete description of the terms and conditions of the Re-Pricing Agreement and accordingly is qualified by reference to the full text thereof.

General

The Re-Pricing Agreement provides for (a) the determination of delivery periods ("Reset Periods") subsequent to the Reset Period that corresponds to the Initial Interest Rate Period on the Bonds and (b) the calculation of the amount of the discount (expressed as a percentage) that is available (the "Available Discount") for sales of Commodities to the Project Participant during each Reset Period.

The Reset Period under the Commodity Purchase Agreement that corresponds to the Initial Interest Rate Period begins on the Initial Issue Date of the Bonds and ends on the last day of June 2035, and the next Reset Period is expected to begin on the first day of July 2035.

Remarketing Election

In the event that the Available Discount for any Reset Period is less than the minimum discount specified in the Commodity Supply Contract (which includes both monthly discounts and any annual refunds), the Project Participant may elect not to take Commodities during the Reset Period and to have such Commodities remarketed for the duration of the Reset Period (a "Remarketing Election") by giving notice of such election to CVEA, the Commodity Supplier and the Trustee. Any Commodities that are covered by a Remarketing Election will be remarketed in accordance with the provisions of the Indenture and the Commodity Purchase Agreement. In the event that the Project Participant makes a Remarketing Election with respect to a Reset Period, J. Aron will have the option to terminate the Commodity Sale and Service Agreement. If J. Aron exercises this option, a Termination Payment Event and an Early Termination Payment Date will occur under the Commodity Purchase Agreement. See "THE RE-PRICING AGREEMENT" and "THE COMMODITY PURCHASE AGREEMENT— Commodity Remarketing" and "—Early Termination."

Replacement of Funding Agreement

The Re-Pricing Agreement includes provisions that enable the Commodity Supplier to obtain proposals from the Funding Recipient and other qualified funding providers for funding agreements to replace the Funding Agreement upon the maturity date of the Funding Agreement (which coincides with the end of the Initial Interest Rate Period). CVEA agrees to cooperate in good faith with the Commodity Supplier and to take all steps reasonably within its control to cause the Bonds to be remarketed or refunded for the Interest Rate Period that corresponds to each Reset Period.

THE COMMODITY SALE AND SERVICE AGREEMENT

Set forth below is a summary of certain provisions of the Commodity Sale and Service Agreement that apply during the Gas Delivery Period. The Electricity Delivery Period will not commence until after the end of the Initial Interest Rate Period and after the Mandatory Purchase Date for the Bonds. This summary does not purport to be a complete description of the terms and conditions of the Commodity Sale and Service Agreement and accordingly is qualified by reference to the full text thereof.

General

During the Gas Delivery Period, under the Commodity Sale and Service Agreement, J. Aron has agreed to sell and deliver the Contract Quantity of gas each gas day in exchange for payment from the Commodity Supplier of an amount equal to the Contract Index for the applicable gas delivery point during the Gas Delivery Period, as set forth in the Commodity Sale and Service Agreement, plus any price differential specified for the delivery point, plus a specified fee (the "J. Aron Commodity Fee"), regardless of whether or not such Commodities are delivered pursuant to the terms and conditions of the Commodity Sale and Service Agreement. The daily quantities of gas, delivery point provisions and delivery period under the Commodity Sale and Service Agreement match the corresponding provisions of the Commodity Purchase Agreement and, in turn, the corresponding provisions of the Commodity Supply Contract. In addition to the J. Aron Commodity Fee, the Commodity Supplier agrees to pay a structuring fee on the effective date of the Commodity Sale and Service Agreement in consideration of its services in connection with the arrangement, establishment, hedging and funding of the Commodity Project.

J. Aron as Agent

General. Under the Commodity Sale and Service Agreement, the Commodity Supplier appoints and directs J. Aron as its agent and J. Aron agrees to issue notices and other communications, billing statements and to take any other actions that the Commodity Supplier is required or permitted to take under (a) the Commodity Purchase Agreement, (b) the Commodity Supplier Commodity Swap, (c) the Re-Pricing Agreement, and (d) the Commodity Sale and Service Agreement (collectively, the "Commodity Documents"); provided that J. Aron's agency role with respect to the Commodity Sale and Service Agreement shall be limited to ordinary course actions required in connection with the Commodity Project and J. Aron shall have no right to waive, modify or amend the terms of the Commodity Sale and Service Agreement on the Commodity Supplier's behalf or to act on the Commodity Supplier's behalf with respect to any dispute thereunder. In exercising this agency power, J. Aron shall have the authority to take any such actions as it deems necessary under the Commodity Documents.

Standard of Performance. In the conduct and performance of its agency role, J. Aron shall conduct itself consistent with and observe the same standard of care as it has in similar transactions in which J. Aron has acted as the seller under prepaid natural gas and commodities agreements, and the Commodity Supplier acknowledges and agrees that J. Aron shall have no obligation to observe a standard of care greater than it has in such similar transactions or to take any actions or measures beyond those it typically takes in connection with such transactions. J. Aron shall not be liable for any action taken or omitted by it in acting as agent on behalf of the Commodity Supplier, except as expressly set forth in the Commodity Sale and Service Agreement.

Commodities Remarketing. Under the Commodity Sale and Service Agreement, the Commodity Supplier delegates, and J. Aron assumes, all of the Commodity Supplier's Commodities remarketing obligations under the remarketing provisions of the Commodity Purchase Agreement (subject to certain limitations set forth therein), and J. Aron agrees to comply with such provisions. Pursuant to this delegation, all Commodities remarketing notices, directions and other actions will be given to or by, and will be performed by, J. Aron, except as described below.

Replacement of J. Aron. In the event that there are entries for private business use sales or non-qualified sales on the ledger set maintained by the Commodity Supplier that have not been remediated within 12 months, the Commodity Supplier (at the sole determination of the director appointed by CVEA) may replace J. Aron with a third party remarketing agent to remediate the outstanding ledger entries; provided that any such third party remarketing agent (or, in the case of clauses (a)(i) and (a)(ii) below, its guarantor) must: (a) have (i) an outstanding long-term senior, unsecured, unenhanced debt rating equivalent to or higher than the ratings assigned to the Bonds, (ii) capital stock, surplus and undivided earnings aggregating at least $100,000,000, and (iii) satisfy J. Aron's internal requirements relating to "know your customer" rules and similar rules and regulations, unless such requirements are waived by J. Aron; and (b) agree to (i) remediate such ledger entries consistent with the terms of the Commodity Purchase Agreement, and (ii) exercise commercially reasonable efforts to enter into remarketing sales to the extent that CVEA, the Commodity Supplier or J. Aron locate opportunities for remarketing sales after its appointment.

Receivables Purchase. J. Aron agrees in the Commodity Sale and Service Agreement to purchase any Call Receivable purchased by the Commodity Supplier under the Receivables Purchase Provisions. J. Aron accordingly has the right in its sole discretion to direct the Commodity Supplier on the exercise of its right to purchase Call Receivables. J. Aron agrees to accept the transfer of Call Receivables as a credit against amounts owed by the Commodity Supplier under the Commodity Sale and Service Agreement. J. Aron agrees to pay the purchase price for Call Receivables not later than the applicable purchase date specified in the Receivables Purchase Provisions by wire transfer of immediately available funds.

Failure to Deliver or Receive Gas

J. Aron will be required to pay the Commodity Supplier for all gas that J. Aron fails to deliver or the Commodity Supplier fails to receive for any reason, including events of force majeure. The amount J. Aron is

required to pay the Commodity Supplier is equal to the amount the Commodity Supplier is required to pay CVEA for gas not delivered or received under the Commodity Purchase Agreement.

Payment Provisions

Amounts due from J. Aron to the Commodity Supplier under the Commodity Sale and Service Agreement (for example, as a result of remarketing or failure to deliver by J. Aron) will be due on or before the 22nd day of the month following the month in which such amount accrues (or, if later, the tenth day following receipt of an invoice); provided that the purchase price of any Call Receivables purchased by J. Aron shall be paid on the applicable purchase date under the Receivables Purchase Provisions. Amounts due from the Commodity Supplier to J. Aron will be due on or before the 26th day of the month following the month in which such amount accrued (or, if later, the 10th day following receipt of an invoice). J. Aron is not entitled to net amounts due and owing by it under the Commodity Sale and Service Agreement, but the Commodity Supplier is entitled to net any amounts due and owing by J. Aron against its monthly payments due to J. Aron.

Force Majeure

Each of the Commodity Supplier and J. Aron are excused from their respective obligations to receive and deliver Commodities under the Commodity Sale and Service Agreement to the extent prevented by force majeure, defined generally as any cause not within the reasonable control of the party claiming an excuse to its obligations. This excuse to performance includes such events as natural disasters, unusually extreme or severe weather related events, interruption or curtailment of gas transportation or storage, government actions, and strikes.

J. Aron Acceleration Option

Following the occurrence of a Commodity Delivery Termination Event due to a Ledger Event and subject to the Commodity Supplier's prior written consent, J. Aron has the option to pay the Termination Payment under the Commodity Purchase Agreement to the Commodity Supplier for the Month following the Month in which a Ledger Event occurs (the "J. Aron Acceleration Option"). J. Aron's payment of the Termination Payment will constitute a Termination Payment Event under the Commodity Purchase Agreement, and an Early Termination Payment Date will occur as of the last Business Day of the Month following J. Aron's payment of the Termination Payment. J. Aron will not owe any Ledger Event Payments to the extent that it exercises its option under to pay the Termination Payment to the Commodity Supplier.

Ledger Event Payments

If a Ledger Event occurs under the Commodity Purchase Agreement and (i) J. Aron has not exercised the J, Aron Acceleration Option and (ii) an Early Termination Payment Date has not otherwise occurred or been designated thereunder, J. Aron agrees to pay to the Commodity Supplier scheduled Ledger Event Payments calculated to provide a sum sufficient (together with the interest component of the Scheduled Debt Service Deposits) to enable CVEA to pay interest on the Bonds at the Increased Interest Rate. Such payments are due to the Commodity Supplier on (a) the Business Day preceding each Interest Payment Date and the Mandatory Purchase Date, and (b) any Early Termination Payment Date under the Commodity Purchase Agreement. See "THE COMMODITY PURCHASE AGREEMENT—Ledger Event" and "THE BONDS—Increased Interest Rate Upon Ledger Event."

Assignment

Neither party may assign its rights or obligations under the Commodity Sale and Service Agreement without the other party's consent, except that J. Aron may assign the Commodity Sale and Service Agreement to an affiliate of J. Aron, which assignment will constitute a novation; provided that (a) the CSSA Guaranty continues to apply to the obligations of such assignee under the Commodity Sale and Service Agreement or

(b) the assignee delivers to the Commodity Supplier a CSSA Guaranty and a Rating Confirmation with respect to such assignment.

Defaults and Termination Events

J. Aron Default. Each of the following events constitutes a "J. Aron Default" under the Commodity Sale and Service Agreement:

(a) J. Aron fails to pay when due any amounts owed to the Commodity Supplier pursuant to the Commodity Sale and Service Agreement and such failure continues for five days after receipt by J. Aron of notice thereof, unless GSG has made such payment under the CSSA Guaranty;

(b) certain bankruptcy or insolvency events with respect to J. Aron; or

(c) the CSSA Guaranty ceases to be in full force and effect or is declared to be null and void, or GSG contests the validity or enforceability of the CSSA Guaranty; provided that no such event will occur as a consequence of GSG becoming subject to a receivership, insolvency, liquidation, resolution or similar proceeding.

Commodity Supplier Default. Each of the following events constitutes a "Commodity Supplier Default" under the Commodity Sale and Service Agreement:

(a) the Commodity Supplier fails to pay when due any amounts owed to J. Aron pursuant to the Commodity Sale and Service Agreement and such failure continues for thirty Business Days after receipt by the Commodity Supplier of notice thereof; or

(b) certain bankruptcy or insolvency events with respect to the Commodity Supplier.

Optional Commodity Delivery Termination Event. Each of the following events constitutes an "Optional Commodity Delivery Termination Event" under the Commodity Sale and Service Agreement, giving the Commodity Supplier (in the case of a Persistent Delivery Failure) or J. Aron (in the case of a CSC Remarketing Event), as applicable, the option to terminate the Commodity Sale and Service Agreement during the Gas Delivery Period:

(a) a "Persistent Delivery Failure" occurs as a result of;

(i) J. Aron failing to deliver any gas for 12 consecutive gas days at all delivery points;

(ii) J. Aron delivering 50% or less of all gas required to be delivered at all delivery points on any 45 consecutive gas days; or

(iii) J. Aron delivering 85% or less of all gas required to be delivered at all delivery points on any 180 gas days (consecutive or non-consecutive) during any period of 365 consecutive days; or

(b) A "CSC Remarketing Event" occurs as a result of the Commodity Supplier providing notice to J. Aron that the Project Participant has made a Remarketing Election for any Reset Period.

Automatic Commodity Delivery Termination Event. The occurrence of a Commodity Delivery Termination Date under the Commodity Purchase Agreement constitutes an "Automatic Commodity Delivery Termination Event" under the Commodity Sale and Service Agreement.

Remedies and Termination

Upon the occurrence of a J. Aron Default or a Commodity Supplier Default, the non-defaulting party may designate an early termination date under the Commodity Sale and Service Agreement (a "CSSA Early Termination Date"). Upon the occurrence of an Optional Non–Default Termination Event due to a Persistent Delivery Failure, the Commodity Supplier may designate a CSSA Early Termination Date. Upon the occurrence of an Optional Commodity Delivery Termination Event due to a CSC Remarketing Event, J. Aron may designate a CSSA Early Termination Date. A CSSA Early Termination Date will occur automatically upon the occurrence of a Commodity Delivery Termination Date under the Commodity Purchase Agreement.

If a Commodity Delivery Termination Date occurs, the Delivery Period under the Commodity Sale and Service Agreement will end and the obligations of the parties to deliver and receive Commodities will terminate.

Security

GSG has provided to the Commodity Supplier a guaranty of J. Aron's payment obligations under the Commodity Sale and Service Agreement (the "CSSA Guaranty"). None of CVEA, the Trustee or the Bondholders have rights to enforce the CSSA Guaranty.

GSG, J. ARON AND THE COMMODITY SUPPLIER

Set forth below is certain information regarding GSG, J. Aron and the Commodity Supplier that has been obtained from such persons and other sources believed to be reliable. CVEA assumes no responsibility for such information and cannot guarantee the accuracy thereof. Under no circumstance is the Commodity Supplier, J. Aron or GSG obligated to pay any amounts owed in respect of the Bonds.

GSG

GSG, together with its consolidated subsidiaries, is a leading global financial institution that delivers a broad range of financial services across investment banking, securities, investment management and consumer banking to a large and diversified client base that includes corporations, financial institutions, governments and individuals. Founded in 1869, the firm is headquartered in New York and maintains offices in all major financial centers around the world.

GSG is a public company that is subject to the information requirements of the Securities Exchange Act of 1934, as amended, and in accordance therewith files reports, proxy statements and other information, including financial reports, with the Securities and Exchange Commission (the "SEC"). For further information concerning GSG and J. Aron, see:

- GSG's Annual Report on Form 10-K for the fiscal year ended December 31, 2023;
- GSG's Quarterly Reports on Form 10-Q for the periods ended March 31, 2024 and June 30, 2024;
- GSG's Current Reports on Form 8-K (i) dated and filed on January 16, 2024, (ii) dated January 12, 2024 and filed on January 19, 2024, (iii) dated and filed on February 16, 2024, (iv) dated March 4, 2024 and filed on March 8, 2024, (v) dated April 10, 2024 and filed on April 12, 2024, (vi) dated and filed on April 15, 2024, (vii) dated and filed on April 16, 2024, (viii) dated April 18, 2024 and filed on April 23, 2024, (ix) dated April 24, 2024 and filed on April 25, 2024, (x) dated and filed on April 25, 2024, (xi) dated May 17, 2024 and filed on May 20, 2024, (xii) dated and filed on June 24, 2024, (xiii) dated and filed on June 28, 2024, (xiv) dated and filed on July 15, 2024, (xv) dated and filed on July 23, 2024, (xvi) dated August 28, 2024 and filed on August 29, 2024, (xvii) dated and filed on September 19, 2024, (xviii) dated September 23, 2024 and filed on September 26, 2024, (xix) dated and filed on October 15, 2024, (xx) dated and filed on

October 23, 2024, (xxi) dated October 23, 2024 and filed on October 24, 2024 and (xxii) dated and filed on November 19, 2024; and

- All documents filed by GSG under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 on or after the date of this Official Statement and prior to the date of the issuance of the Bonds.

These reports and other information are available for review at http://www.sec.gov, an internet site maintained by the SEC.

The senior unsecured long-term debt of GSG is rated "A" (stable outlook) by Fitch, "A2" (stable outlook) by Moody's and "BBB+" (stable outlook) by S&P.

GSG has provided to the Commodity Supplier a guarantee of J. Aron's payment obligations under the Commodity Sale and Service Agreement (the "CSSA Guaranty"). None of CVEA, the Trustee nor the Bondholders have rights to enforce the CSSA Guaranty.

J. Aron

J. Aron, a participant in the commodities business for over 100 years, was acquired in 1981 by Goldman Sachs, and is the entity through which Goldman Sachs executes its commodities business. J. Aron is a registered swap dealer and market-maker for a wide array of commodities and commodity derivative contracts relating to diesel, oil, natural gas, gasoline, jet fuel, other petroleum products, power, metals, and soft commodities, among others.

According to Platts Gas Daily, J. Aron was the seventeenth largest marketer of physical natural gas in North America during the second quarter of 2022 at 3.24 Bcf/day. Since 2006, J. Aron has executed more than thirty energy prepayment transactions with municipal utilities and joint action agencies. As of January 1, 2023, it is contractually committed to deliver over 550,000 MMBtu/day of physical gas supplies in the aggregate to approximately 400 municipal utilities at over 40 delivery points under these transactions.

J. Aron has market based rate authority from FERC for energy, capacity and ancillary services sales at market-based rates. Since 2006, J. Aron has executed more than thirty commodity prepayment transactions with municipal utilities and joint action agencies. Since 2018, J. Aron has enabled more than 2,000 MWs of renewable offtake transactions.

The Commodity Supplier

Organization. The Commodity Supplier is a Delaware limited liability company organized for the sole purpose of entering into the transactions on its part with respect to the Commodity Project described herein. J. Aron is the sole member of the Commodity Supplier (the "Member"), and has funded the Commodity Supplier with the cash equity contribution and the subordinated loans described below.

The Commodity Supplier is governed by a three-member board of directors. One director is appointed by J. Aron, one director is appointed by CVEA, and the third director is an independent director appointed by J. Aron. The directors have appointed J. Aron as the manager of the Commodity Supplier.

The director appointed by CVEA has the sole consent rights with respect to certain matters, including: the designation of a CSSA Early Termination Date under the Commodity Sale and Service Agreement; the designation of a Commodity Delivery Termination Date under the Commodity Purchase Agreement due to the occurrence of a Ledger Event; the enforcement of the Funding Agreement; under certain circumstances, the removal and replacement of J. Aron as manager of the Commodity Supplier; the appointment of a third-party commodity remarketing agent under the Commodity Purchase Agreement in the event that there are private

business use sales or non- private business use sales of gas or electricity that are not remediated within twelve Months; the removal and replacement of the SPE Master Custodian (defined below); and certain determinations with respect to Reset Periods under the Re-Pricing Agreement. CVEA covenants in the Indenture that, in any vote that comes before the board of directors of the Commodity Supplier regarding the Commodity Supplier Documents, it will instruct the CVEA-appointed director to exercise its voting rights in favor of (a) the Commodity Supplier (i) observing and performing its obligations under the Commodity Purchase Agreement and (ii) observing and performing its obligations and enforcing the provisions of the other Commodity Supplier Documents against the counterparties thereto, and (b) not permitting any assignment, rescission, amendment or waiver to or of the Commodity Supplier Documents which will in any manner materially impair or materially adversely affect the rights of CVEA thereunder or the rights or security of the Bondholders under the Indenture.

The director appointed by J. Aron has sole consent rights with respect to other matters, including: (a) the designation of a Commodity Delivery Termination Date under the Commodity Purchase Agreement due to a termination of the CVEA Commodity Swap; and (b) the termination or replacement of the Commodity Supplier Commodity Swap.

The independent director is required to consider only the interests of the Commodity Supplier and its creditors in acting or voting on certain material actions that require the unanimous consent of the directors. No resignation or removal of the independent director will be effective until a successor independent director has accepted his or her appointment.

Subordinated Loan Agreement; Capitalization. Pursuant to a Subordinated Term Loan Agreement (the "Subordinated Loan Agreement"), J. Aron has agreed (a) to make an initial advance to the Commodity Supplier in the amount of $__ million not later than the closing date under the Commodity Purchase Agreement (the "Initial Advance"), [and (b) if, following an Event of Default (as defined in the Funding Agreement) with respect to the Funding Recipient, the Commodity Supplier exercises its right to demand payment of the entire amount held in the Funding Account (or the Funding Agreement terminates automatically due to dissolution, liquidation or similar proceeding with respect to the Funding Recipient), an additional advance of up to $____ million immediately upon the receipt of a written notice by J. Aron from the Commodity Supplier (the "Contingent Advance")]. The Commodity Supplier's repayment obligations under the Subordinated Loan Agreement are subordinate to the Commodity Supplier's obligations under the Commodity Supplier Commodity Swap, the Commodity Purchase Agreement and the Commodity Sale and Service Agreement to the extent set forth in the SPE Master Custodial Agreement described below.

J. Aron will also make a cash equity contribution to the Commodity Supplier. The cash equity contribution, the amount of the Initial Advance and, if made, the amount of the Contingent Advance together equal at least three percent of the outstanding (unamortized) balance of the prepayment under the Commodity Purchase Agreement (approximately $____ million as of the Initial Issue Date).

SPE Master Custodial Agreement. The Commodity Supplier, J. Aron, CVEA and The Bank of New York Mellon, as custodian (the "SPE Master Custodian"), will enter into an SPE Master Custodial Agreement (the "SPE Master Custodial Agreement") to administer:

(a) the amounts payable to the Commodity Supplier under (i) the Funding Agreement, (ii) the Commodity Sale and Service Agreement, (iii) the Commodity Purchase Agreement, (iv) the Commodity Supplier Commodity Swap and (v) the Subordinated Loan Agreement, and

(b) the Funding Agreement and the amounts payable by the Commodity Supplier under (i) the Commodity Purchase Agreement, (ii) the Commodity Sale and Service Agreement, (iii) the Commodity Supplier Commodity Swap and (iv) the Subordinated Loan Agreement.

The SPE Master Custodial Agreement establishes a revenue account (the "Commodity Supplier Revenue Account"), a capital account (the "Commodity Supplier Capital Account") and a put receivables

account (the "Commodity Supplier Put Receivables Account") with the SPE Master Custodian. The amounts payable to the Commodity Supplier under the Funding Agreement, the Commodity Sale and Service Agreement, the Commodity Purchase Agreement and the Commodity Supplier Commodity Swap are to be paid directly into the Commodity Supplier Revenue Account.

Under the SPE Master Custodial Agreement, the SPE Master Custodian will, to the extent of the amounts on deposit in the Commodity Supplier Revenue Account, make monthly transfers for the payment of amounts due by the Commodity Supplier under the Commodity Supplier Commodity Swap, the Commodity Purchase Agreement and the Commodity Sale and Service Agreement. Following these monthly transfers, any remaining funds in the Commodity Supplier Revenue Account are transferred to the Commodity Supplier Capital Account. Pending their application, the amounts in the Commodity Supplier Revenue Account are held in trust for the benefit of the Commodity Supplier.

The Commodity Supplier Capital Account and the Commodity Supplier Put Receivables Account will be initially funded by J. Aron with the cash equity contribution and the Initial Advance under the Subordinated Loan Agreement. From these sources, an amount equal to the sum of the Minimum Amount and the Debt Service Reserve Requirement will be deposited in the Commodity Supplier Put Receivables Account and the remaining amount will be deposited in the Commodity Supplier Capital Account. Under the SPE Master Custodial Agreement, (a) the amounts in the Commodity Supplier Capital Account may be invested only in direct obligations of the United States or obligations unconditionally guaranteed by the United States, in either case with a maturity of two years or less, certain certificates of deposit and demand deposits, certain money market funds and cash; and (b) the amounts in the Commodity Supplier Put Receivables Account may be invested only in Qualified Investments (as defined in the Indenture).

Amounts on deposit in the Commodity Supplier Put Receivables Account shall be transferred promptly be the SPE Master Custodian to pay any amounts due from the Commodity Supplier under the Receivables Purchase Provisions in respect of Put Receivables. Upon notice form the Commodity Supplier that either the Early Termination Payment Date or the final maturity date of the Bonds has occurred and no further payments are due under the Receivables Purchase Provisions in respect of Put Receivables, the SPE Master Custodian shall transfer promptly all amounts remaining in the Commodity Supplier Put Receivables Account to the Commodity Supplier Capital Account.

Amounts on deposit in the Commodity Supplier Capital Account shall be withdrawn by the SPE Master Custodian and applied: *first,* to the extent the SPE Master Custodian determines necessary to meet the Commodity Supplier's collateral posting obligations under the credit support annex to the Commodity Supplier Commodity Swap; and *second* to make up any deficiency of the amounts on deposit in the Commodity Supplier Revenue Account for the purposes described above.

The SPE Master Custodian shall only withdraw amounts on deposit in the Commodity Supplier Capital Account for payment of principal and interest on the Subordinated Loan Agreement to the extent that the "Commodity Supplier Capital Amount" (defined below) exceeds the greater of (a) (i) three percent of the outstanding (unamortized) balance of the prepayment under the Commodity Purchase Agreement, or (ii) $4,000,000 after the monthly payments from the Commodity Supplier Revenue Account and the Commodity Supplier Capital Account described above, and (b) (i) the Commodity Supplier Capital Amount exceeds the Debt Service Reserve Requirement plus the Minimum Amount, or (ii) a Rating Confirmation is received to permit a withdrawal. The SPE Master Custodian shall not be required to transfer any amount from the Commodity Supplier Capital Account for the monthly payment of any distribution or any principal and interest on the Subordinated Loan Agreement if the remaining balance in the Commodity Supplier Capital Account following such transfer will be less than $4,000,000.

"Commodity Supplier Capital Amount" means, at any time, the sum of (y) amounts then on deposit in the Commodity Supplier Capital Account, and (z) all committed amounts then available for Commodity Supplier

to draw under the Subordinated Loan Agreement, as notified by Commodity Supplier to the SPE Master Custodian from time to time.

The SPE Master Custodian shall have a lien, security interest and right of set-off against the Commodity Supplier Capital Account for the payment of any claim by the SPE Master Custodian for compensation, reimbursement or indemnity under the SPE Master Custodial Agreement.

Under no circumstance is the Commodity Supplier, J. Aron or GSG obligated to pay any amounts owed in respect of the Bonds.

THE FUNDING AGREEMENT

Set forth below is a summary of certain provisions of the Funding Agreement. This summary does not purport to be a complete description of the terms and conditions of the Funding Agreement and accordingly is qualified by reference to the full text thereof.

General

In connection with the Commodity Project, the Commodity Supplier will purchase that certain Non-Participating Funding Agreement, dated _____, 2025 (the "Funding Agreement") from Pacific Life. The Commodity Supplier and Pacific Life will enter into a Funding Agreement Purchase Agreement, dated the sale date of the Bonds, that sets forth the terms and provisions of the Funding Agreement.

Pacific Life is a stock life insurance company organized under the laws of the State of Nebraska. The Commodity Supplier acknowledges that the Funding Agreement constitutes an insurance contract and is subject to the applicable laws and regulations of state insurance regulatory bodies.

So long as there are any obligations outstanding under the Funding Agreement, Pacific Life agrees that it will make publicly available (a) its quarterly statutory financial statements no later than 45 days after the end of any such fiscal quarter and (b) its audited annual statutory financial statements for each fiscal year, as filed with the Nebraska Department of Insurance, no later than 270 days after the end of any such fiscal year.

Funding Account

On the Initial Issue Date of the Bonds (referred to in this Section as the "Funding Date"), the Commodity Supplier will pay to Pacific Life proceeds from the prepayment it receives from CVEA under the Commodity Purchase Agreement (the "Deposit Amount"). Upon its receipt of the Deposit Amount, Pacific Life will establish under the Funding Agreement and maintain on its books a funding account (the "Funding Account"), and will record the amounts held under the Funding Agreement in accordance with the terms and conditions of the Funding Agreement. The Funding Account will be a bookkeeping account and not a separate account. Pacific Life is neither a trustee nor a fiduciary with respect to the Funding Account.

The balance in the Funding Account at the end of any day will be equal to:

(1) the Initial Deposit Amount, plus any additional Deposit Amount(s) made to the Funding Account; *less*

(2) any withdrawals made by the Commodity Supplier as specified in the Term Sheet or in accordance with the Funding Agreement; *plus*

(3) any accrued and unpaid interest on the balance in the Funding Account.

Interest will accrue on the sum of the aggregate amounts calculated in accordance with (1) and (2) set forth above at the fixed rate specified in the Funding Agreement. Such interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

All funds received by Pacific Life under the Funding Agreement shall become the exclusive property of Pacific Life and remain a part of its general account without any duty or requirement of segregation or separate investment. Pacific Life shall have the sole right to control, manage and administer all funds deposited in or credited to the Funding Account, and may commingle the funds in its possession pursuant to the Funding Agreement with its other funds.

Payments; No Set-Off

Pacific Life will pay to or at the direction of the Commodity Supplier the amounts specified in the Funding Agreement (the *"Scheduled Withdrawals"*) on the dates specified in the Funding Agreement (the *"Scheduled Withdrawal Dates"*). The Scheduled Withdrawals consist of (a) monthly amortization payments set forth on a schedule attached to the Funding Agreement and (b) a final payment equal to the entire amount then remaining in the Funding Account. The final Scheduled Withdrawal is payable on (i) the maturity date of the Funding Agreement, which is the Business Day preceding the Mandatory Purchase Date of the Bonds (the *"Maturity Date"*) or (ii) any earlier termination date of the Funding Agreement.

Pacific Life waives all rights to set-off, counterclaim, recoupment and any other defenses that might otherwise be available go it with regard to its obligations pursuant to the Funding Agreement.

Events of Default and Termination

The Funding Agreement will provide that an "Event of Default" will occur upon the occurrence of one or any combination of the following:

(a) Pacific Life's failure to make any payment due under the Funding Agreement, if such failure to pay is not corrected within five (5) Business Days after such payment becomes due and payable;

(b) Pacific Life fails to maintain any representation or comply with any provision under the Funding Agreement, and Pacific Life fails to cure such breach within thirty (30) days after notice thereof by the Commodity Supplier; and

(c) if Pacific Life is dissolved or has a resolution passed or proceeding instituted for its winding up, liquidation, rehabilitation or similar arrangement (other than pursuant to a consolidation, amalgamation or merger).

If an Event of Default described in clause (a) or (b) above occurs with respect to the Funding Recipient and the Commodity Supplier delivers a written notice of termination with respect to such Event of Default, Pacific Life shall pay the entire amount held in the Funding Account (including accrued and unpaid interest) upon the resulting Funding Agreement Early Termination Payment Date (as defined below). If an Event of Default described in clause (c) above occurs, the Funding Agreement will automatically terminate and the entire amount in the Funding Account will be immediately due and payable by Pacific Life to the Commodity Supplier, subject to the Nebraska Insurance regulations regarding the impairment or insolvency of a Nebraska domiciled life insurance company. Upon such payment by Pacific Life to the Commodity Supplier, Pacific Life's obligations under the Funding Agreement will be fully satisfied, and the Funding Agreement will be deemed terminated. As used above, *"Funding Agreement Early Termination Payment Date"* means the last Business Day of the month following the month in which the Commodity Supplier delivers a written notice of termination to the Funding Recipient.

The Commodity Supplier represents in the Funding Agreement that it is acquiring the Funding Agreement for investment and not with a view to any resale or distribution thereof. If the Commodity Supplier fails to comply with the restrictions on resale pursuant to Rule 506 of Regulation D of the U.S. Securities and Exchange Commission (17 C.F.R. §230.506), Pacific Life will have the right upon written notice to the Commodity Supplier to withdraw the entire amount held in the Funding Account (including accrued and unpaid interest) and pay it to the Commodity Supplier. Upon such payment, Pacific Life's obligations under the Funding Agreement will be fully satisfied, and the Funding Agreement will be deemed terminated.

Governing Law

The Funding Agreement issued by Pacific Life will be governed by, and construed in accordance with, the laws of the State of Nebraska without regard to conflicts of law principles.

Insolvency of Pacific Life

The Funding Agreement is an unsecured obligation of Pacific Life and, in the event of Pacific Life's insolvency, will be subject to the provisions of state insurance laws.

In the event of the impairment or insolvency of a Nebraska domiciled insurance company, such as Pacific Life, the Director of Insurance of the Nebraska Department of Insurance is authorized to commence delinquency proceedings for the purpose of conserving, rehabilitating, reorganizing or, if necessary, liquidating the insurer pursuant to Sections 44-4801 through 44-4862, Nebraska Revised Statutes. In conducting such delinquency proceedings, claims are prioritized pursuant to Section 44-4842, Nebraska Revised Statutes, which sets forth nine classes within the priority scheme, with each successive class being fully junior to the preceding class. Class 1 priority is given to the costs and expenses of administration of the insurer during the delinquency proceedings. Class 2 priority is given to all claims (a) under policies for losses incurred, including third-party claims, (b) against the insurer for liability for bodily injury or for injury to or destruction of tangible property which are not under policies, and (c) of a guaranty association or foreign guaranty association. All claims under life insurance and annuity policies, funding agreements, guaranteed interest contracts, guaranteed investment contracts, synthetic guaranteed investment contracts, and deposit administration contracts, whether for death proceeds, annuity proceeds, or investment values, are treated as loss claims. Willkie Farr & Gallagher LLP, counsel to Pacific Life, has opined that, subject to the limitations, qualifications and assumptions set forth in its opinion letter, in a properly prepared and presented case, a court applying Nebraska law would conclude that loss claims of principal and interest in respect of the Funding Agreement would be accorded Class 2 priority under Section 44-4842, Nebraska Revised Statutes and paid equally in priority with Pacific Life's other policyholders.

Willkie Farr & Gallagher LLP has advised that its opinion is based on its interpretation of the relevant provisions of the Nebraska Revised Statutes as construed by relevant administrative and judicial authority. However, the Nebraska Revised Statutes and regulations, interpretations and decisions are subject to change, either prospectively or retroactively, and many of the issues addressed in counsel's opinion depend upon a facts and circumstances analysis that has received little or no administrative or judicial consideration. Therefore, the Director of Insurance of the Nebraska Department of Insurance, in his/her capacity as liquidator, rehabilitator or otherwise, or the courts could disagree in whole or in part with the analysis in their opinion.

The scope of the Willkie Farr & Gallagher LLP opinion regarding a delinquency proceeding with respect to Pacific Life is limited to a Nebraska delinquency proceeding under Nebraska law and to only those claims that are made in domiciliary proceedings in a Nebraska court. The opinion of Willkie Farr & Gallagher LLP recites basic facts with respect to the transaction in which the Funding Agreement is issued, and those facts are implicitly assumed in connection with the rendering of the opinion. The limitations and qualifications in the opinion are that it is limited to the application of the insurance laws of the State of Nebraska, and that the opinion is rendered solely as of the date thereof.

Additional Information

For additional information with respect to the Funding Recipient, see APPENDIX J.

Under no circumstance is the Funding Recipient obligated to pay any amounts owed in respect of the Bonds.

THE COMMODITY SWAPS

Set forth below is a summary of certain provisions of the Commodity Swaps. This summary does not purport to be a complete description of the terms and conditions of the Commodity Swaps and accordingly is qualified by reference to the full text of the Commodity Swaps.

General

CVEA has entered into the CVEA Commodity Swap under which CVEA will pay a floating natural gas price at a specified pricing point and will receive a fixed natural gas price for notional quantities that correspond to the quantities of natural gas and the related delivery point under the Commodity Purchase Agreement. Under the CVEA Commodity Swap, for each calendar month that the relevant floating price of natural gas at the delivery point is greater than the fixed price specified in the CVEA Commodity Swap, CVEA will be obligated to pay to the Commodity Swap Counterparty an amount equal to the product of (x) the difference between the floating price and the fixed price multiplied by (y) a notional quantity equal to the quantity of gas scheduled to be delivered at the delivery point during such month by the Commodity Supplier under the Commodity Purchase Agreement. If the fixed price specified in the CVEA Commodity Swap is greater than the relevant floating price of natural gas at the delivery point for a month, the Commodity Swap Counterparty will be obligated to pay CVEA an amount equal to the product of (x) the difference between the fixed price and floating price multiplied by (y) a notional quantity equal to the quantity of gas scheduled to be delivered at the delivery point during such month by the Commodity Supplier under the Commodity Purchase Agreement. If the relevant floating price for a calendar month is equal to the specified fixed price, no payment will be owed by either party to the other under the CVEA Commodity Swap.

Under the Commodity Supplier Commodity Swap, the Commodity Supplier pays a fixed natural gas price and receives a floating natural gas price for the same notional quantities at the same pricing point.

Term. Each of the Commodity Swaps has an initial term that commences on the date that Commodity deliveries begin under the Commodity Purchase Agreement and extends for two calendar months. The Commodity Swaps have rolling two-month terms that renew automatically upon the payment due date of each monthly net settlement amount due thereunder through the term of the Gas Delivery Period under the Commodity Purchase Agreement, unless a Commodity Delivery Termination Date occurs under the Commodity Purchase Agreement or such Commodity Swap is otherwise earlier terminated as a result of any other event or default or termination event thereunder.

Form of Commodity Swaps

Each of the Commodity Swaps has been entered into as a confirmation under a 2002 ISDA Master Agreement with certain amendments and elections under the Master Agreement that have been agreed to by the parties.

Payment

For each month of scheduled Commodities deliveries and notional amounts, each party with a net obligation under a Commodity Swap (based on the relative values of the fixed price and relevant index prices) will pay that net obligation to the other party. Payments under the Commodity Swaps are due in the calendar

month following the month to which the applicable Commodity index prices relate, on the 24th day of the month (or preceding business day) in the case of the Commodity Supplier Commodity Swap and on the 25th day of the month (or next business day) in the case of the CVEA Commodity Swap.

Early Termination

Each of the Commodity Swaps will be subject to early termination under certain circumstances. Early termination can be triggered automatically or upon the election by the non-defaulting party or non-affected party as summarized below.

No settlement or other termination payment (other than Unpaid Amounts) will be due to any party as a result of any early termination of any Commodity Swap.

Automatic Termination of Commodity Swaps. Each of the following events would result in the automatic termination of the CVEA Commodity Swap and the Commodity Supplier Commodity Swap:

- the occurrence of a Commodity Delivery Termination Date under the Commodity Purchase Agreement for any reason, in which case the Commodity Swaps will terminate automatically on such date;

- a party's failure to pay amounts due under the CVEA Commodity Swap that is not remedied within three business days after notice; and

- delivery by either CVEA or the Commodity Swap Counterparty of a notice of termination of the CVEA Commodity Swap results in the automatic termination of the Commodity Supplier Commodity Swap, and delivery by either the Commodity Supplier or the Commodity Swap Counterparty of a notice of termination of the Commodity Supplier Commodity Swap results in the automatic termination of the CVEA Commodity Swap.

Elective Termination of the CVEA Commodity Swap. Each of the following events of default and termination events would provide the non-defaulting party or the non-affected party the right to terminate the CVEA Commodity Swap if it is not cured within the applicable cure period:

- a party becomes subject to certain insolvency events in the manner specified in the CVEA Commodity Swap;

- the Commodity Swap Counterparty fails to satisfy its credit support obligations in the manner specified in the CVEA Commodity Swap;

- a reduction below certain specified minimum ratings in the credit rating assigned by the applicable rating agency to the Commodity Swap Counterparty's senior, unsecured long-term debt obligations (not supported by third party credit enhancements) or, if there is no such rating, then the Commodity Swap Counterparty's issuer rating (the "Commodity Swap Counterparty's Credit Rating");

- amendment of the Indenture in breach of the Commodity Swap Counterparty's consent rights thereunder;

- the amendment, without the Commodity Swap Counterparty's consent, of certain provisions of the Commodity Purchase Agreement relating to the termination or assignment thereof, if the Commodity Swap Counterparty notifies CVEA within 30 days after receiving notice of such amendment of its determination that such amendment, if not rescinded, would have certain

specified effects on termination of the Commodity Purchase Agreement and/or the Commodity Swaps; and

- CVEA fails to promptly exercise its right to suspend all Commodity deliveries under the Commodity Supply Contract if the Project Participant fails to pay when due any amounts owed to CVEA thereunder.

Elective Termination of the Commodity Supplier Commodity Swap. Each of the following events of default and termination events would provide the non-defaulting party or the non-affected party the right to terminate the Commodity Supplier Commodity Swap if it is not cured within the applicable cure period:

- if a party becomes subject to certain insolvency events in the manner specified in the Commodity Supplier Commodity Swap;

- a party fails to satisfy its credit support obligations in the manner specified in the Commodity Supplier Commodity Swap;

- any reduction in the Commodity Swap Counterparty's Credit Rating (as described above) below certain specified minimum ratings;

- the amendment, without the Commodity Swap Counterparty's consent, of certain provisions of the Commodity Purchase Agreement relating to the termination or assignment thereof, if the Commodity Swap Counterparty notifies the Commodity Supplier within 30 days after receiving notice of such amendment of its determination that such amendment, if not rescinded, would have certain specified effects on termination of the Commodity Purchase Agreement and/or Commodity Swaps;

- the amendment, without the Commodity Swap Counterparty's consent, of certain provisions of the Receivables Purchase Provisions relating to the purchase of Swap Deficiency Receivables by the Commodity Supplier; and

- a party's failure to pay amounts when due under the Commodity Supplier Commodity Swap (notwithstanding any payments made by the Custodian under the Commodity Supplier Custodial Agreement) that is not remedied within one business day after notice.

Other Listed Events. The Commodity Swaps contain other listed events (including breach or repudiation, misrepresentation, illegality and certain tax and credit events) that do not give CVEA, the Commodity Supplier or the Commodity Swap Counterparty the right to designate an early termination date, but which permit the non-defaulting party or the affected party to pursue such equitable remedies, including specific performance, as may be available.

Replacement of Commodity Swaps. See "THE COMMODITY PURCHASE AGREEMENT—Replacement of Commodity Swaps" and "SECURITY FOR THE BONDS—Enforcement of Project Agreements—*CVEA Commodity Swap*" for a description of certain provisions of the Indenture and the Commodity Purchase Agreement regarding the replacement of a Commodity Swap that is terminated or subject to termination.

Custodial Agreements

The Commodity Supplier will enter into a Custodial Agreement (the "Commodity Supplier Custodial Agreement"), with the Commodity Swap Counterparty and U.S. Bank Trust Company, National Association, as Trustee and as custodian (in such capacity, the "Custodian"), to administer payments under the Commodity Supplier Commodity Swap. CVEA will enter into a separate Custodial Agreement (the "CVEA Custodial

Agreement" and, together with the Commodity Supplier Custodial Agreement, the "Custodial Agreements"), with the Commodity Swap Counterparty and the Custodian, to administer payments under the CVEA Commodity Swap. The Custodial Agreements contain certain provisions designed to mitigate risks to CVEA and Bondholders resulting from a failure of the Commodity Swap Counterparty to make payments to CVEA under the CVEA Commodity Swap, and to mitigate risks to the Commodity Supplier resulting from a failure of the Commodity Swap Counterparty to make payments to the Commodity Supplier under the Commodity Supplier Commodity Swap.

Payments made by the Commodity Supplier under the Commodity Supplier Commodity Swap will be made to a custodial account maintained by the Custodian under the Commodity Supplier Custodial Agreement. Such amounts will not be released until the Custodian has received confirmation that the amount payable to CVEA by the Commodity Swap Counterparty under the CVEA Commodity Swap for such month has been paid. If the Commodity Swap Counterparty does not make a required payment under the CVEA Commodity Swap and such payment remains unpaid after the expiration of any grace period, the Custodian will pay the amount that the Commodity Supplier paid under the Commodity Supplier Commodity Swap (which such amount is held in custody) to the Trustee for deposit in the Revenue Fund and that payment will be treated as a Commodity Swap Receipt. Additionally, if the Commodity Supplier Commodity Swap terminates, the Commodity Supplier will continue to make payments to the custodial account as if the Commodity Supplier Commodity Swap were still in effect until the earlier of (i) replacement of the Commodity Swaps in accordance with the requirements of the Commodity Purchase Agreement and (ii) termination of the Delivery Period under the Commodity Purchase Agreement, and such payments will be used to ensure that CVEA receives deposits in the Revenue Fund as described in the preceding sentence in the event that the Commodity Swap Counterparty does not make a required payment under the CVEA Commodity Swap.

Payments made by CVEA under the CVEA Commodity Swap will be made to a custodial account maintained by the Custodian under the CVEA Custodial Agreement. Such amounts will not be released until the Custodian has received confirmation that the amount payable to the Commodity Supplier by the Commodity Swap Counterparty under the Commodity Supplier Commodity Swap for such month has been paid. If the Commodity Swap Counterparty does not make a required payment under the Commodity Supplier Commodity Swap and such payment remains unpaid after the expiration of any grace period, the Custodian will pay the amount that CVEA paid under the CVEA Commodity Swap (which such amount is held custody) to the Commodity Supplier. Additionally, if the CVEA Commodity Swap terminates, CVEA will continue to make payments to the custodial account as if the CVEA Commodity Swap were still in effect until the earlier of (i) replacement of the Commodity Swaps in accordance with the requirements of the Commodity Purchase Agreement and (ii) termination of the Delivery Period under the Commodity Purchase Agreement, and such payments will be withdrawn by the Custodian and paid to the Commodity Supplier.

THE COMMODITY SWAP COUNTERPARTY

Set forth below is certain information regarding the Commodity Swap Counterparty. CVEA assumes no responsibility for such information and cannot guarantee the accuracy thereof. Under no circumstance is the Commodity Swap Counterparty obligated to pay any amount owed in respect of the Bonds.

BP Energy Company ("BPEC") is a Delaware corporation and an indirect subsidiary of BP Corporation North America Inc., an Indiana corporation ("BPNA"). The obligations of BPEC under the Commodity Swaps are guaranteed by BPNA.

Financial information regarding BPNA is available without charge upon request to: Debt Administration, BP Corporation North America Inc., 501 Westlake Park Blvd., Houston, Texas 77079. Telephone and email requests may be directed to 281-800-2346 and treasurydebtadmin@bp.com.

THE COMMODITY SUPPLY CONTRACT

Set forth below is a summary of certain provisions of the Commodity Supply Contract between CVEA and the Project Participant that apply during the Gas Delivery Period. The Electricity Delivery Period will not commence until after the end of the Initial Interest Rate Period and after the Mandatory Purchase Date for the Bonds. This summary does not purport to be a complete description of the terms and conditions of the Commodity Supply Contract and accordingly is qualified by reference to the full text thereof.

General

CVEA and the Project Participant will enter into the Commodity Supply Contract which provides for the sale of all of Commodities acquires under the Commodity Purchase Agreement. Deliveries of Commodities under the Commodity Supply Contract will begin on June 1, 2025 and continue to the end of the stated delivery period under the Commodity Purchase Agreement (October 31, 2025), provided that, if a Commodity Delivery Termination Date occurs under the Commodity Purchase Agreement, the Commodity Supply Contract will terminate on such Commodity Delivery Termination Date.

The Commodity Supply Contract provides for the sale to the Project Participant, on a pay-as-you-go basis, of all of the Commodities to be delivered to CVEA over the term of the Commodity Purchase Agreement. Under the Commodity Supply Contract, CVEA has agreed to deliver, and the Project Participant has agreed to purchase, the specified Contract Quantities of gas at a designated delivery point during the Gas Delivery Period. The Project Participant is obligated to pay CVEA for the quantities of Commodities delivered under the Commodity Supply Contract, including contracted quantities tendered for delivery by CVEA but not taken by the Project Participant (for which the Project Participant is eligible to receive a credit based on revenues received for the remarketed Commodities under certain circumstances described in such Commodity Supply Contract). The Project Participant has no obligation to pay for Commodities that CVEA fails to deliver.

Pricing Provisions

The Project Participant must pay CVEA the applicable Daily Index Price (defined below), less a fixed discount per MMBtu (the "Contract Price") for gas delivered by CVEA.

The "Daily Index Price" means, with respect to any gas day and any delivery point, a charge per MMBtu equal to the Midpoint price published in Gas Daily (published by S&P Global Platts, a division of S&P Global Inc.) under the heading "Daily price survey" for the Gas Daily pricing point correspond to the applicable delivery point for the flow date corresponding to such gas day.

Through the Commodity Project, the Project Participant anticipates realizing a discount to market index natural gas prices. No assurance can be given as to the total actual discounts the Project Participant will realize.

Billing and Payment

Not later than the 10th day of the month following the end of the delivery month, CVEA must provide a monthly billing statement to the Project Participant of the amount due for Commodities delivered during the prior month. The due date for payment by the Project Participant will be on or before the 22nd day of the month following the most recent month to which the billing statement relates (or if such day is not a business day, the preceding business day). If the Project Participant disputes the appropriateness of any charge or calculation in any billing statement, the Project Participant still must pay all amounts billed by CVEA, including any amounts in dispute. Unless the Project Participant objects to such billing statement within two years after the applicable month of delivery, the billing statement will be conclusively presumed final and accurate. If it is ultimately determined that the Project Participant did not owe the disputed amount, CVEA must pay the Project Participant the disputed amount plus interest.

Annual Refunds

CVEA has agreed to provide annual refunds to the Project Participant from amounts available for distribution pursuant to the Indenture. In determining the amount of such refunds, CVEA may reserve such funds (i) as may be required under the terms of the Indenture or (ii) as CVEA deems reasonably necessary and including but not limited to amounts required to fund or maintain the Minimum Discount Percentage for any future Reset Period, to fund or maintain any rate stabilization or working capital reserve, to reserve or account for unfunded liabilities and expenses, including future sinking fund or other principal amortization of the Bonds, or for other costs of the Commodity Project, with certain limitations.

Covenants of the Project Participant

Operating Expense. The Project Participant has agreed to make payments under the Commodity Supply Contract from its Utility Revenues, and only from such Utility Revenues, as a Maintenance and Operation Cost of its utility system; provided however, that under the Commodity Supply Contract, the Project Participant is permitted to apply other funds and revenues to satisfy the Project Participant's payment obligations under Commodity Supply Contract, and is permitted to enter into contracts or incur other obligations payable from Utility Revenues on a parity with Purchaser's obligation to make payments under Commodity Supply Contract.

Rate Sufficiency Covenant. The Project Participant has covenanted and agreed that it will establish and collect rates, fees, and charges for the services and commodities provided by the Project Participant's utility system so as to provide Utility Revenues adequate to meet its obligations under Commodity Supply Contract and to pay all other amounts payable from Utility Revenues.

Pledge of Utility Revenues. The Project Participant agrees that it will not grant any lien on or security interest in, or otherwise pledge or encumber, the Utility Revenues that would create a lien, pledge or other encumbrance having priority over the obligations of the Project Participant to pay the Contract Price for the Contract Quantities, which obligations constitute Maintenance and Operation Costs.

Tax-Exempt Status of Bonds. The Project Participant acknowledges that the Bonds will be issued with the intention that the interest thereon will be exempt from federal taxes under Section 103 of the Code. Accordingly, the Project Participant agrees that it will (a) provide such information with respect to its utility system as may be requested by CVEA in order to establish the tax-exempt status of the Bonds, and (b) act in accordance with such written instructions as CVEA may provide from time to time in order to maintain the tax-exempt status of the Bonds. The Project Participant further agrees that it will not at any time take any action, or fail to take any action, that would adversely affect the tax-exempt status of the Bonds.

Without limiting the foregoing, the Project Participant has further agreed, subject to certain remediation rights, to use the Commodities purchased under the Commodity Supply Contract (a) in a "qualifying use" as defined in the applicable Treasury Regulations, (b) in a manner that will not result in any "private business use" within the meaning of Section 141 of the Code, and (c) in a manner consistent with its Federal Tax Certificate (collectively, the "Qualifying Use Requirements").

Remediation. The Project Participant may at times need to remarket, or may inadvertently remarket, Commodities received under the Commodity Supply Contract in a manner that does not comply with Qualifying Use Requirements due to daily and hourly fluctuations in the Project Participant's Commodity needs. To the extent the Project Participant does so, the Project Participant shall use the proceeds of such remarketing to purchase Commodities (other than Priority Commodities) that the Project Participant uses in compliance with the Qualifying Use Requirements and reserve funds in an amount equal to such proceeds until such proceeds are remediated or transferred to the Trustee to redeem Bonds (as approved by Special Tax Counsel as preserving the tax-exempt status of the Bonds). To track compliance with these requirements, the Project Participant will provide a semi-annual report to CVEA (delivered not later than the fifteenth day of each April and October until the end of the Delivery Period) showing the following: the total quantity of proceeds from sales of Commodities

received under the Commodity Supply Contract that (i) were sold by the Project Participant to any person other than a Municipal Utility and (ii) have not been remediated by Project Participant by applying such proceeds to purchase gas that is used in compliance with the Qualifying Use Requirements.

Priority Commodities. The Project Participant agrees to take the Contract Quantities to be delivered under the Commodity Supply Contract (a) in priority over and in preference to all other Commodities available to the Project Participant that are not Priority Commodities; and (b) on at least a *pari passu* and non-discriminatory basis with other Priority Commodities. "*Priority Commodities*" means the Contract Quantity of Commodities to be purchased by the Project Participant under the Commodity Supply Contract, together with Commodities that the Project Participant is obligated to take under a long-term agreement, which Commodities either have been purchased (or, with respect to gas, has been produced from gas reserves in the ground which reserves were purchased) by the Project Participant or a joint action agency using the proceeds of tax-exempt bonds, notes or other obligations pursuant to a long-term prepaid gas purchase agreement.

Transportation; Title and Risk of Loss

Except as otherwise provided in the Commodity Supply Contract, CVEA must make arrangements for all transportation and transmission services required to effect, and must bear all costs and expenses of, transportation and transmission prior to the delivery of the Contract Quantity at the applicable delivery point specified in the Commodity Supply Contract. The Project Participant must make all arrangements for all transportation and transmission services required to receive the Contract Quantity at such delivery point and to transport it from such delivery point.

Title to the gas delivered under the Commodity Supply Contract and risk of loss pass from CVEA to the Project Participant at the applicable delivery point; provided that the transfer of title and risk of loss for Assigned Gas shall be in accordance with the applicable Gas Assignment Agreement. CVEA will be deemed to be in exclusive control and possession of gas prior to the time of delivery to the Project Participant at the delivery point, and the Project Participant will be deemed to be in exclusive control and possession of gas thereafter.

Failure to Perform

Except in the case of a "Force Majeure" event, for each MMBtu that CVEA is obligated to deliver to the Project Participant but fails to deliver, CVEA must pay to the Project Participant an amount equal to any excess cost per MMBtu which the Project Participant actually incurred to obtain an equivalent quantity of replacement gas over the Contract Price per MMBtu which would have been applicable to the undelivered gas.

In the event that CVEA tenders the Contract Quantity for delivery to the Project Participant and the Project Participant fails to take the full amount of the Contract Quantity (except in the case of a "Force Majeure" event, described below), the Project Participant will remain obligated to pay CVEA the Contract Price for the full amount of the Contract Quantity. CVEA will credit to the Project Participant's account the net amount described under the heading "THE COMMODITY PURCHASE AGREEMENT—Commodity Remarketing."

Remarketing of Gas

In the event the Project Participant (a) does not require or is unable to receive all or any portion of the Contract Quantity that it is obligated to purchase under the Commodity Supply Contract as a result of (i) decreased gas requirements due to reduced generation requirements, (ii) decreased demand by the Project Participant's retail customers or (iii) a change in law, or (b) makes a Remarketing Election for any Reset Period (as described under "THE COMMODITY PROJECT—Re-Pricing Agreement"), CVEA will arrange for the sale by the Commodity Supplier of the affected quantities to another Municipal Utility or other purchaser pursuant to the remarketing provisions of the Commodity Purchase Agreement; provided that, in the case of a remarketing request to the Commodity Supplier under clause (a)(iii) above, notice of such a remarketing must be provided at least six months in advance (and at least ten years after the date of execution of the Commodity Purchase

Agreement) as set forth in the Commodity Purchase Agreement and the Commodity Supplier must consent to such a remarketing, with such consent to be provided in its reasonable discretion. Under the Commodity Purchase Agreement, CVEA arranges for sales through the Commodity Supplier in accordance with the remarketing provisions and procedures set forth in the Commodity Purchase Agreement. Except in the case of a Remarketing Election given by the Project Participant, if the Commodity Supplier successfully makes such a sale or sales, CVEA must credit, in circumstances described in the Commodity Supply Contract, against the amount owed by the Project Participant for such gas revenues received by CVEA from the sales of such gas less all directly incurred costs or expenses (which include remarketing fees paid to the Commodity Supplier), but in no event more than the Contract Price. If the Project Participant makes a Remarketing Election in accordance with the provisions of the Commodity Supply Contract, it will have no obligation to purchase or take Commodities, and CVEA shall have no obligation to sell or deliver Commodities, under the Commodity Supply Contract, during the applicable Reset Period.

See "THE COMMODITY PURCHASE AGREEMENT—Commodity Remarketing" and "THE COMMODITY SALE AND SERVICE AGREEMENT—J. Aron as Agent—*Commodities Remarketing*."

Force Majeure

Except with regard to a party's obligation to make payments under the Commodity Supply Contract that are then due or becoming due with respect to performance prior to the Force Majeure, neither party shall be liable to the other for failure to perform its obligations under the Commodity Supply Contract to the extent such failure was caused by an event of "Force Majeure," which is defined in the Commodity Supply Contract as an event or circumstance which prevents one party from performing its obligations, which event or circumstance was not anticipated as of the date the Commodity Supply Contract was signed, which is not within the reasonable control of, or the result of the negligence of, the claiming party, and which, by the exercise of due diligence, the claiming party is unable to overcome or avoid or cause to be avoided. Force Majeure includes certain listed events.

In addition, any invocation of Force Majeure by the Commodity Supplier under the Commodity Purchase Agreement constitutes Force Majeure under the Commodity Supply Contract.

Default and Remedies

CVEA Default. Each of the following events constitute a "CVEA Default" under the Commodity Supply Contract:

(a) any representation or warranty made by CVEA in the Commodity Supply Contract proves to have been incorrect in any material respect when made; or

(b) CVEA fails to perform, observe or comply with any covenant, agreement or term contained in the Commodity Supply Contract, and such failure continues for more than 30 days following the earlier of (i) receipt by CVEA of notice thereof or (ii) an officer of CVEA becoming aware of such default.

Project Participant Default. Each of the following events shall constitute a "Project Participant Default" under the Commodity Supply Contract:

(a) the Project Participant fails to pay when due any amounts owed to CVEA pursuant to the Commodity Supply Contract and such failure continues for one business day following the earlier of (i) receipt by the Project Participant of notice thereof or (ii) an officer of the Project Participant becoming aware of such default;

(b) the occurrence of certain insolvency or bankruptcy events with respect to the Project Participant (and the expiration of any applicable cure period);

(c) any representation or warranty made by the Project Participant in the Commodity Supply Contract proves to have been incorrect in any material respect when made; or

(d) the Project Participant fails to perform, observe or comply with any covenant, agreement or term contained in the Commodity Supply Contract, and such failure continues for more than 15 days following the earlier of (i) receipt by the Project Participant of notice thereof or (ii) an officer of the Project Participant becoming aware of such default.

Termination. If at any time an CVEA Default or a Project Participant Default has occurred and is continuing, then the non-defaulting party may do any or all of the following by notice to the defaulting party specifying the relevant CVEA Default or Project Participant Default, as applicable, terminate the Commodity Supply Contract effective as of a day not earlier than the day such notice is deemed given under the Commodity Supply Contact and/or declare all amounts due to the non-defaulting party under the Commodity Supply Contract or any part thereof immediately due and payable, and the same shall thereupon become immediately due and payable, without notice, demand, presentment, notice of dishonor, notice of intent to demand, protest or other formalities of any kind, all of which are expressly waived by the defaulting party; provided, however, the Commodity Supply Contract will automatically terminate and all amounts due to the non-defaulting party thereunder will immediately become due and payable as of the time immediately preceding the institution of the relevant proceeding or the presentation of the relevant petition that upon the occurrence of certain events relating to a Project Participant Default described in (b) above. In addition, during the existence of an CVEA Default or a Project Participant Default, as applicable, the non-defaulting party may exercise all other rights and remedies available to it at Law or in equity, including without limitation mandamus, injunction and action for specific performance, to enforce any covenant, agreement or term of the Commodity Supply Contract.

As of the effectiveness of any termination date described in the preceding paragraph, (a) the Delivery Period ends, (b) the obligation of CVEA to make any further deliveries of gas to the Project Participant under the Commodity Supply Contract terminates, and (c) the obligation of Purchaser to take or receive deliveries of gas from CVEA under the Commodity Supply Contract terminates. Neither the Commodity Supply Contract nor the Delivery Period may be terminated for any reason except as specified in the Commodity Supply Contract. Without prejudice to any payment obligation in respect of periods prior to termination, no payments will be due from either CVEA or the Project Participant in respect of periods occurring after the effective termination date of the Commodity Supply Contract.

Assignment

The provisions of the Commodity Supply Contract are binding on the successors and assigns of such contract. Neither party may assign the Commodity Supply Contract to another party without the prior written consent of the other party, except that CVEA may assign its interests to secure its obligations under the Indenture. Prior to assigning all or any part of its interest in the Commodity Supply Contract, the Project Participant is required to deliver Rating Confirmations from all rating agencies then rating the Bonds.

Gas Assignment Agreements

The Project Participant may assign and J. Aron may agree to assume a portion of the Project Participant's rights and obligations under a gas supply agreement pursuant to an Assignment Agreement with an Upstream Supplier (an "Upstream Supply Contract") in accordance with the Commodity Supply Contract.

An "Upstream Supplier" is the seller of Gas to J. Aron under such Upstream Supply Contract.

To facilitate the initial gas deliveries under the Commodity Purchase Agreement, the Project Participant expects to assign a portion of its rights and obligations under two or more existing gas supply contracts to J. Aron under related assignment agreements.

CENTRAL VALLEY ENERGY AUTHORITY

General

TID and WECA formed CVEA by their execution of a Joint Exercise of Powers Agreement, dated November 26, 2024 (the "Joint Powers Agreement"). WECA is itself a joint exercise of powers authority formed by TID and the Merced Irrigation District in 2003. CVEA was established pursuant to the Act and the Joint Powers Agreement to provide for the joint exercise of powers common to TID and WECA to assist TID with, among other things, the purchase, sale, acquisition and financing of natural gas and electric energy (and associated capacity and environmental attributes) and to exercise additional powers as provided under the Act.

Governance and Management

Under the Joint Powers Agreement, the Board of Directors of TID is the governing body (the "Commission") of CVEA. The current members of Board of Directors of TID are listed in APPENDIX A under the caption "TID'S ELECTRIC UTILITY SYSTEM—Governance." Certain of TID's officers, including its General Manager and Assistant General Manager, Financial Services and Chief Financial Officer, jointly serve in similar capacities as officers of CVEA. CVEA has no independent employees.

Pursuant to the Joint Powers Agreement, TID will provide or cause to be provided such technical and general and administrative services as CVEA may reasonably require. CVEA may reimburse TID for its costs of providing such support and services. Although TID has provided and will continue to provide CVEA with staffing and consultant support pursuant to the Joint Powers Agreement, TID does not have any obligation or liability to CVEA beyond that specifically provided in the Joint Powers Agreement and the Commodity Supply Contract. WECA and the Merced Irrigation District have no obligations or liabilities to CVEA.

Limited Liability

THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF CVEA AND THE PRINCIPAL AND REDEMPTION PRICE OF, AND INTEREST ON, THE BONDS ARE PAYABLE SOLEY FROM THE TRUST ESTATE. THE BONDS DO NOT CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN CVEA, BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS PROVIDED THEREFOR UNDER THE INDENTURE. THE BONDS DO NOT CONSTITUTE A DEBT OR LIABILITY OF TID OR ANY OTHER MEMBER OF CVEA.CVEA SHALL NOT BE OBLIGATED TO PAY THE PRINCIPAL OR THE REDEMPTION PRICE OF OR INTEREST ON THE BONDS EXCEPT FROM THE FUNDS PROVIDED THEREFOR UNDER THE INDENTURE AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF, INCLUDING CVEA, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE BONDS. THE ISSUANCE OF THE BONDS SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY OR TO PLEDGE ANY FORM OF TAXATION OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. CVEA HAS NO TAXING POWER**.**

CERTAIN FACTORS AFFECTING CVEA AND THE PROJECT PARTICIPANT

General

Various factors will affect the operations of CVEA and Project Participant, including, for example:

- retention of existing customers by the Project Participant;
- local, regional and national economic conditions;

- the market price of gas, electricity and the market price of alternate forms of energy;
- fuel conservation measures;
- the availability of alternate energy sources;
- climatic conditions;
- government regulation and deregulation of the energy industry;
- federal and state regulation of, and private sector initiatives to limit, greenhouse gas emissions; and
- technological advances in fuel economy and energy generation devices.

CVEA is unable to predict the impact of the foregoing factors, and other factors, on the Project Participant and its utility system operations. However, the gas and electricity supply and services to be provided by CVEA are intended to maintain and improve the competitive position of the Project Participant by providing it with additional services and competitive prices for a portion of its gas or electricity supply.

Disruptions in the Natural Gas Market

The Project Participant engages in various transactions in the natural gas markets, including the purchase and sale of natural gas and transactions to hedge their exposure to changes in the market price of natural gas. The ability of the Project Participant to enter into these transactions is dependent upon a variety of factors, including most notably prevailing conditions in the natural gas market.

At various times in the past, the natural gas market experienced severe disruptions, including extremely high and volatile commodity prices, inverted forward price curves and constrained transportation and sources of supply. The factors giving rise to these conditions — demands for gas and other forms of energy, economic conditions, weather patterns, inadequate regulation by federal and state authorities, and the exercise of market power and the manipulation of the gas markets by marketers or others are beyond the control of CVEA and the Project Participant. To the extent that disruptions in the natural gas market prevent the Project Participant from engaging in those transactions that are necessary to enable it to manage risks, its financial and operating position may be adversely affected.

THE PROJECT PARTICIPANT

For information regarding Turlock Irrigation District, see APPENDIX A—CERTAIN INFORMATION REGARDING TURLOCK IRRIGATION DISTRICT.

CONTINUING DISCLOSURE

CVEA and the Project Participant have covenanted for the benefit of the holders and beneficial owners of the Bonds to provide certain information annually (the "Annual Report") not later than 210 days following the end of the District's and the Authority's respective fiscal years (each presently December 31), and to provide notices of the occurrence of certain enumerated events, in some cases only if material. The District's first Annual Report will be for fiscal year 2024, and CVEA's first Annual Report will be for fiscal year 2025. If and when provided by CVEA and the Project Participant, the Annual Report will be filed by Willdan Financial Services (the "Dissemination Agent") on behalf of CVEA and the Project Participant with the Municipal Securities Rulemaking Board through its EMMA system at http://www.emma.msrb.org. When directed to do so by the CVEA and the Project Participant, the notices of specified events will be filed by the Dissemination Agent on behalf of CVEA and the Project Participant with the Municipal Securities Rulemaking Board through its EMMA system. The specific nature of the information to be contained in the Annual Report and the notices of certain

enumerated events is summarized in "APPENDIX E—FORM OF CONTINUING DISCLOSURE AGREEMENT." These covenants have been made in order to assist the Underwriter in complying with S.E.C. Rule 15c2-12(b)(5) (the "Rule 15c2-12").

CVEA has not previously entered into a continuing disclosure undertaking pursuant to Rule 15c2-12.

LITIGATION

[There are no proceedings or transactions relating to the issuance, sale or delivery of the Bonds which could adversely affect the Commodity Project. In addition, there is no litigation pending or, to the knowledge of CVEA, threatened against or affecting CVEA questioning or in any manner affecting the validity or enforceability of the Bonds, the Commodity Supply Contract, the Commodity Purchase Agreement, the CVEA Commodity Swap, the Receivables Purchase Provisions, the Investment Agreements, the Commodity Supplier Custodial Agreement, the Indenture or the pledge of the Trust Estate under the Indenture.]

With respect to certain litigation concerning Project Participant, see "APPENDIX A—CERTAIN INFORMATION REGARDING TURLOCK IRRIGATION DISTRICT—LITIGATION."

FINANCIAL STATEMENTS

CVEA was created on November 26, 2024 and, as a result, has not previously prepared audited financial statements. CVEA has determined that the initial audited financial statement of CVEA will be prepared for and cover the two-year period of years ending December 31, 2024 and 2025, with annual audits to be prepared for each fiscal year thereafter.

The Project Participant's audited, consolidated financial statements for the years ended December 31, 2023 and 2022 are included in APPENDIX B attached to this Official Statement. These financial statements have been audited by Moss Adams, LLP, Portland, Oregon (the "Auditor"), for the periods indicated and to the extent set forth in their report thereon and should be read in their entirety. The Project Participant has not requested nor did it obtain permission from the Auditor to include the audited, consolidated financial statements as an appendix to this Official Statement. Accordingly, the Auditor has not performed any procedures to review the financial condition or operations of the Project Participant subsequent to the date of its report included therein, nor has it reviewed any information contained in this Official Statement.

MUNICIPAL ADVISOR

CVEA has retained PFM Financial Advisors LLC, as municipal advisor (the "Municipal Advisor"), in connection with various matters relating to the issuance of the Bonds. While the Financial Advisor assisted in the review and preparation of this Official Statement and in other matters relating to the planning, structuring and issuance of the Bonds, the Municipal Advisor assumes no responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement. The Municipal Advisor is an independent advisory firm and is not engaged in underwriting or distributing securities. The Municipal Advisor will receive compensation that is contingent upon the sale, issuance and delivery of the Bonds.

UNDERWRITING

Goldman Sachs & Co. LLC (the "Underwriter") has entered into a purchase contract relating to the Bonds with CVEA, pursuant to which the Underwriter has agreed, subject to certain conditions, to purchase the Bonds from CVEA at an aggregate purchase price of $_____ (representing the principal amount of the Bonds, plus original issue premium of $_____, less an underwriter's discount of $_____). The obligation of the Underwriter to purchase the Bonds is subject to certain terms and conditions set forth in the purchase contract. The Underwriter is obligated to purchase all the Bonds if any are purchased. The Bonds may be offered and sold to certain dealers and others at prices lower than the initial offering prices, and such initial offering prices

may be changed from time to time by the Underwriter. The Underwriter has no obligations other than those that are set forth in the purchase contract. The payment of the Bonds is not guaranteed by the Underwriter.

Goldman Sachs & Co. LLC (together with its affiliates) is a full service financial institution engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Goldman Sachs & Co. LLC and its affiliates have provided, and may in the future provide, a variety of these services to CVEA and TID and to persons and entities with relationships with CVEA and TID, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriter and its affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own accounts and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of CVEA and TID (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with CVEA and TID. The Underwriter and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

CERTAIN RELATIONSHIPS

The Commodity Supplier, which is also the Receivables Purchaser, the purchaser under the Commodity Sale and Service Agreement and a party under the Commodity Supplier Commodity Swap, is wholly owned by J. Aron. J. Aron is the sole member of the Commodity Supplier, the seller under the Commodity Sale and Service Agreement, and a wholly owned subsidiary of GSG. The payment obligations of J. Aron to the Commodity Supplier under the Commodity Sale and Service Agreement are unconditionally guaranteed by GSG under the CSSA Guaranty. The Underwriter of the Bonds, Goldman Sachs & Co. LLC, is also a wholly owned subsidiary of GSG.

None of the Commodity Supplier, J. Aron nor GSG has guaranteed or is responsible for the payment of the Bonds. The obligations of the Commodity Supplier are limited to those set forth in the Commodity Purchase Agreement, the Receivables Purchase Provisions and the Commodity Supplier Commodity Swap. The obligations of J. Aron are limited to those set forth in the Commodity Sale and Service Agreement. None of the Commodity Supplier, J. Aron nor GSG takes any responsibility for the information set forth in this Official Statement other than the information set forth under the caption "GSG, J. ARON AND THE COMMODITY SUPPLIER".

The members of TID's Board of Directors also serve as members of CVEA's Commission and certain of TID's officers, including its General Manager and Assistant General Manager, Financial Services and Chief Financial Officer, jointly serve in similar capacities as officers of CVEA. CVEA has no independent employees.

RATING

Moody's Investors Service, Inc. ("Moody's") is expected to assign the rating of "___" to the Bonds. Such rating reflects only the views of such organizations and any desired explanation of the significance of such rating should be obtained only from the rating agency furnishing the same. Generally, a rating agency bases its rating on the information and materials furnished to it and investigations, studies and assumptions of its own. There is no assurance that such rating will continue for any given period of time or that it will not be revised, either downward or upward, or withdrawn entirely by the rating agency, if in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse

effect on the market price of the Bonds. Neither CVEA, nor the Underwriter has an obligation to contest any revision or withdrawal by the rating agency of any such rating.

A securities rating is not a recommendation to buy, sell or hold securities and, as noted above, may be subject to revision or withdrawal at any time. Other than CVEA and TID's obligations under the Continuing Disclosure Agreement, neither CVEA nor TID has undertaken any responsibility either to bring to the attention of the owners of the Bonds any proposed change in or withdrawal of such rating or to oppose any such proposed revision. Any such change or withdrawal of such rating could have an adverse effect on the marketability and market price of the Bonds.

In providing a rating on the Bonds, the rating agency may have performed independent calculations of coverage ratios using their own internal formulas and methodologies. CVEA makes no representations as to any such calculations, and such calculations should not be construed as a representation by CVEA as to the availability of particular revenues for the payment of debt service on the Bonds or for any other purpose.

CVEA and TID will covenant in the Continuing Disclosure Agreement to file on EMMA, notices of any ratings changes on the Bonds. Notwithstanding such covenants, information relating to ratings changes on the Bonds may be publicly available from the rating agency prior to such information being provided to CVEA or TID and prior to the date notice of such rating change is obligated to be filed on EMMA. Purchasers of the Bonds are directed to Moody's and its websites and official media outlets for the most current rating changes with respect to the Bonds after the initial issuance of the Bonds.

TAX MATTERS

In the opinion of Stradling Yocca Carlson & Rauth LLP, California, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, interest on the Bonds is excluded from gross income for federal income tax purposes, and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. However, it should be noted that, with respect to applicable corporations as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended (the "Code"), generally certain corporations with more than $1,000,000,000 of average annual adjusted financial statement income, interest (and original issue discount) with respect to the Bonds might be taken into account in determining adjusted financial statement income for purposes of computing the alternative minimum tax imposed by Section 55 of the Code on such corporations. In the further opinion of Bond Counsel, interest (and original issue discount) on the Bonds is exempt from State of California personal income tax.

The difference between the issue price of a Bond (the first price at which a substantial amount of the Bonds of a maturity is to be sold to the public) and the stated redemption price at maturity with respect to the Bond (to the extent the redemption price at maturity is greater than the issue price) constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to an Owner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by an Owner will increase the Owner's basis in the applicable Bond. In the opinion of Bond Counsel, the amount of original issue discount that accrues to the Owner of the Bond is excluded from gross income of such Owner for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. In the opinion of Bond Counsel, the amount of original issue discount that accrues to the Owner of the Bonds is exempt from State of California personal income tax.

Bond Counsel's opinion as to the exclusion from gross income for federal income tax purposes of interest (and original issue discount) on the Bonds is based upon certain representations of fact and certifications made by CVEA, TID and others and is subject to the condition that CVEA and TID comply with all requirements of the Code, that must be satisfied subsequent to the issuance of the Bonds to assure that interest (and original issue discount) on the Bonds will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause the interest (and original issue discount) on the Bonds

to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. CVEA and TID will covenant to comply with all such requirements.

The amount by which an Owner's original basis for determining loss on sale or exchange in the applicable Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable bond premium, which must be amortized under Section 171 of the Code; such amortizable bond premium reduces the Owner's basis in the applicable Bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of bond premium may result in an Owner realizing a taxable gain when a Bond is sold by the Owner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the Owner. Purchasers of the Bonds should consult their own tax advisors as to the treatment, computation and collateral consequences of amortizable bond premium.

Bond Counsel's opinions may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. Bond Counsel has not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. The Indenture and the Tax Certificate relating to the Bonds permit certain actions to be taken or to be omitted if a favorable opinion of a bond counsel is provided with respect thereto. Bond Counsel expresses no opinion as to the effect on the exclusion from gross income for federal income tax purposes of interest (or original issue discount) on any Bond if any such action is taken or omitted based upon the advice of counsel other than Bond Counsel.

Although Bond Counsel will render an opinion that interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes provided that TID continues to comply with certain requirements of the Code, the ownership of the Bonds and the accrual or receipt of interest (and original issue discount) with respect to the Bonds may otherwise affect the tax liability of certain persons. Bond Counsel expresses no opinion regarding any such tax consequences. Accordingly, before purchasing any of the Bonds, all potential purchasers should consult their tax advisors with respect to collateral tax consequences relating to the Bonds.

The IRS has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the Bonds will be selected for audit by the IRS. It is also possible that the market value of the Bonds might be affected as a result of such an audit of the Bonds (or by an audit of similar bonds). No assurance can be given that in the course of an audit, as a result of an audit, or otherwise, Congress or the IRS might not change the Code (or interpretation thereof) subsequent to the issuance of the Bonds to the extent that it adversely affects the exclusion from gross income of interest (and original issue discount) on the Bonds or their market value.

FOLLOWING THE ISSUANCE OF THE BONDS THERE MIGHT BE FEDERAL, STATE, OR LOCAL STATUTORY CHANGES (OR JUDICIAL OR REGULATORY CHANGES TO OR INTERPRETATIONS OF FEDERAL, STATE, OR LOCAL LAW) THAT AFFECT THE FEDERAL, STATE, OR LOCAL TAX TREATMENT OF THE BONDS OR THE MARKET VALUE OF THE BONDS. THESE CHANGES COULD ADVERSELY AFFECT THE MARKET VALUE OR LIQUIDITY OF THE BONDS. IT IS POSSIBLE THAT LEGISLATIVE CHANGES WILL BE INTRODUCED WHICH, IF ENACTED, WOULD RESULT IN ADDITIONAL FEDERAL INCOME OR STATE TAX BEING IMPOSED ON OWNERS OF TAX-EXEMPT STATE OR LOCAL OBLIGATIONS, SUCH AS THE BONDS. NO ASSURANCE CAN BE GIVEN THAT FOLLOWING THE ISSUANCE OF THE BONDS, STATUTORY CHANGES WILL NOT BE INTRODUCED OR ENACTED OR INTERPRETATIONS WILL NOT OCCUR. BEFORE PURCHASING ANY OF THE BONDS, ALL POTENTIAL PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING POSSIBLE STATUTORY CHANGES OR JUDICIAL OR REGULATORY CHANGES OR INTERPRETATIONS, AND THEIR COLLATERAL TAX CONSEQUENCES RELATING TO THE BONDS.

A complete copy of the proposed opinion of Bond Counsel is set forth in APPENDIX F—"FORM OF OPINION OF BOND COUNSEL."

APPROVAL OF LEGAL MATTERS

The validity of the Bonds and certain other legal matters are subject to the approving opinion of Bond Counsel. A complete copy of the proposed form of Bond Counsel opinion is contained in APPENDIX F to this Official Statement. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement.

Certain legal matters will be passed upon for CVEA by Stradling Yocca Carlson & Rauth LLP, as Special Counsel to CVEA; for CVEA by Stradling Yocca Carlson & Rauth LLP, as Disclosure Counsel to CVEA; for TID by Griffith, Masuda & Hobbs, a Professional Law Corporation; for the Commodity Supplier by its counsel, Sheppard, Mullin, Richter & Hampton LLP; for the Funding Recipient by its counsel, Willkie Farr & Gallagher LLP; for GSG by its counsel, Sullivan & Cromwell LLP; and for the Underwriter by Chapman and Cutler LLP.

CVEA will receive an opinion from the counsel to the Project Participant on the date of original delivery of the Bonds, to the effect that the Commodity Supply Contract has been duly authorized, executed and delivered and constitutes the legal, valid and binding obligation of the Project Participant enforceable in accordance with its terms. The enforceability of the Commodity Supply Contract may be limited by or subject to applicable bankruptcy, insolvency, moratorium, reorganization, other laws affecting creditors' rights generally and by general principles of equity, public policy and commercial reasonableness.

MISCELLANEOUS

Any statements in this Official Statement involving matters of opinion, estimates or forecasts, whether or not expressly so stated, are intended as such and not as representations of fact. The Appendices attached hereto are an integral part of this Official Statement and must be read in conjunction with the foregoing material. This Official Statement is not to be construed as a contract or agreement between CVEA and the purchasers or owners of the Bonds.

The delivery of this Official Statement has been duly authorized by the Commission of CVEA.

CENTRAL VALLEY ENERGY AUTHORITY

By: _____
Executive Director

APPENDIX A

CERTAIN INFORMATION REGARDING TURLOCK IRRIGATION DISTRICT

*The information contained in this Appendix A has been obtained from the Turlock Irrigation District ("**TID**" or the "**District**") and other sources believed to be reliable. TID, however, makes no representation as to the accuracy or completeness of information obtained from such other sources. The information regarding TID contained in this Appendix A is included for general information purposes only. As described in the main body of this Official Statement under the caption "SECURITY FOR THE BONDS," the Bonds are limited obligations of CVEA payable solely from and secured solely by a pledge of and lien on the Trust Estate, including amounts received by the Authority from TID under the Commodity Supply Contract. Under the Commodity Supply Contract, TID is obligated only to purchase and pay for Commodities tendered for delivery by the Authority in accordance with the terms of the Commodity Supply Contract. TID is not obligated to make payments in respect of the debt service on the Bonds and the Bonds do not constitute a debt or liability of TID. Capitalized terms used but not otherwise defined herein shall have the meaning given in the main body and Appendix C of this Official Statement.*

TID'S ELECTRIC UTILITY SYSTEM

General Information

The Turlock Irrigation District is an irrigation district organized under the provisions of the California Water Code and has the powers provided therein for irrigation districts. Organized in 1887, TID was the first of 65 irrigation districts to be formed in the State of California (the "**State**").

TID provides electric service within an approximately 662 square miles electric service area, which includes portions of Stanislaus, Merced and Tuolumne counties, as well as certain undeveloped territory within a portion of Tuolumne and Mariposa counties. TID's electric service area now includes the cities of Turlock, Ceres, Hughson, Patterson, a portion of south Modesto and the unincorporated communities of Keyes, Denair, Hickman, Delhi, Ballico, Crows Landing and Hilmar.

TID also supplies water for irrigation use within its irrigation service boundaries, which consist of 308 square miles within its 662 square mile electric service area.

TID's business management and operations are carried out from its headquarters in the City of Turlock, California. TID is governed by a five-member Board of Directors (the "**Board**") elected by popular vote from five divisions of TID based on population. A general manager (the "**General Manager**") is selected by and reports to the five-member Board.

To provide electric service within its service area, TID owns and operates electric generation, transmission and distribution facilities. TID's internal generating facilities include hydroelectric and gas-fired units, and its external generating facilities include utility-scale wind and solar, as well as geothermal. For electric generation fuel supply and hedging, TID has significant ownership of natural gas production, gas transmission, and gas storage rights. TID also purchases power and transmission service from generation sources outside TID's service area and participates in other utility arrangements. As of December 31, 2023, TID provides power to a population of approximately 240,000. In 2023, TID had total electric sales of approximately 3.4 billion kilowatt hours ("**kWh**") (including approximately 1.2 billion kWh of wholesale energy) and a peak demand of approximately 567 megawatts ("**MW**").

Total TID revenues are derived from both the electric utility system (approximately 96%) and the irrigation system (approximately 4%).

TID and the Walnut Energy Center Authority ("**WECA**") formed the Central Valley Energy Authority by their execution of a Joint Exercise of Powers Agreement, dated November 26, 2024, to, among other things, facilitate the financing and acquisition of the Commodity Project. See the captions the "INTRODUCTION—The Commodity Project" and "CENTRAL VALLEY ENERGY AUTHORITY" in the front part of this Official Statement. The members of TID's Board of Directors also serve as members of CVEA's Commission and certain of TID's officers, including its General Manager and Assistant General Manager, Financial Services and Chief Financial Officer, jointly serve in similar capacities as officers of CVEA. CVEA has no independent employees.

Governance

TID is governed by a five-member Board of Directors (the "**Board**") elected by popular vote from five-divisions of TID based on population. Directors serve in staggered four-year terms, with elections held during even-numbered years. There is no limit to the number of terms a director may serve. The officer positions of President, Vice-President, and Secretary are elected by the Board from among its members every two years. The present members of the Board are:

Michael Frantz, President. Director Frantz represents Division 1 and has been a member of the Board since 2009. His current term of office expires in December 2028. He is President of Frantz Wholesale Nursery, LLC, a position he took over from his father in 1998. His 600-acre family farm employs more than 200 people and is a premier supplier of containerized trees and shrubs to the landscape and retail nursery industry in the Western United States. Director Frantz is active on local, statewide, and national boards, including the Nursery Growers Association Board, the Farm Bureau, AmericanHort and the Board of Sustainable Conservation. He serves as a representative on TID's Investment Committee, Power Supply Risk Committee, and as TID's representative to the San Joaquin Tributaries Authority.

David Yonan, Vice President. Director Yonan represents Division 2 and has been a member of the Board since 2022. His current term of office expires in December 2026. Director Yonan received his Bachelor of Arts Degree in Economics from California State University, Stanislaus. Director Yonan had a 37-year career in Agribusiness banking with Bank of America and was head of their Modesto office for the last 15 years before retiring in 2020. Director Yonan is a lifelong Ceres resident and third generation farmer. He serves as a representative on TID's Executive Committee, Investment Committee, Pension Investment Committee, and the Power Supply Risk Committee, as well as TID's alternate representative to the Don Pedro Recreation Agency Board of Control.

Becky Hackler Arellano. Director Arellano represents Division 4 and has been a member of the Board since 2024. Her term of office expires in December 2028. Director Arellano is a former Turlock City Councilmember and a current business partner in Reliable Property Management, LLC and Little Red Door, LLC. She comes from a third-generation farming family and currently farms corn and alfalfa. Director Arellano is the past President of the Pitman FFA Boosters and past Board Member of the Letters to Santa Charity.

Joe Alamo. Director Alamo represents Division 3 and has been a member of the Board since 2009. His current term of office expires in December 2026. In addition to the TID Board, Director Alamo serves on the Board of Directors for American AgCredit. Director Alamo received his Bachelor of Science Degree in Agribusiness from California State Polytechnic University, San Luis Obispo and currently owns and operates a dairy and farming operation with his two brothers. He is a current member and past president of the Central Counties Dairy Herd Improvement Association and a representative on the California Farm Water Coalition. Director Alamo is also a member of Western United Dairyman and Stanislaus County Farm Bureau. He serves as a representative on TID's Pension Investment Committee, as TID's representative to the Westside Power Authority and the West Turlock Subbasin Groundwater Sustainability Agency, and as an alternate representative to the San Joaquin Tributaries Authority.

Ron Macedo. Director Macedo represents Division 5 and has been a member of the Board since 2009. His current term of office expires in December 2026. He is also a past Director for the Stanislaus County Fair Board. Director Macedo owns R.A.M. Farms in Turlock, CA and was the President of Stanislaus County Farm Bureau. Previously, he was the State Director for the California Farm Bureau Federation, District 13. Director Macedo serves as a representative on TID's Executive Committee and TID's representative to the Don Pedro Recreation Agency Board of Control.

TID's business management and operations are carried out from its headquarters in the City of Turlock, California. A general manager (the "**General Manager**") is selected by and reports to the five member Board. The General Manager has the responsibility to assure TID a skilled and experienced team of senior managers. Members of TID's senior staff have considerable experience, having served TID for an average of 12 years. Brief biographies of the General Manager, Mr. Brad Koehn, and other senior staff of TID are described below. The former General Manager, Michelle Reimers, resigned effective on June 21, 2024. Mr. Brad Koehn, who was serving as Chief Operating Officer, was appointed as General Manager effective on June 21, 2024. As of the date of this Official Statement, the position of Chief Operating Officer has not been filled.

Brad Koehn, General Manager. Prior to being appointed as General Manager, Mr. Koehn had served as Chief Operating Officer since 2020. Mr. Koehn has over 20 years of experience in the engineering field. Prior to working at Turlock Irrigation District, Mr. Koehn spent 16 years in private practice engineering, most recently co-owning a local civil engineering firm. In 2011, Mr. Koehn joined TID as the Civil Engineering Department Manager where he was responsible for the planning, design, and project management of many capital improvement, water-use efficiency, and irrigation automation projects. Mr. Koehn a licensed professional engineer and land surveyor in the State of California. He has a long heritage in the local area and has deep ties to Turlock and the surrounding agricultural community. He is active in the community and volunteers his time as a director on two local boards.

Brian Stubbert, Chief Financial Officer, Assistant General Manager, Financial Services. Mr. Stubbert joined TID as its Assistant General Manager of Financial Services and CFO in December 2017. Mr. Stubbert is responsible for planning and directing all of TID's financial, information technology, rates and risk, fleet, safety and security, and materials management activities. He performs critical analysis on both internal and external events, providing recommendations to the General Manager and the Board. His tasks include developing and improving cost controls and maintaining good credit standing for TID. Mr. Stubbert has more than 25 years of financial experience in accounting, budgeting, working with auditors and with boards of directors. Most of his financial expertise was developed during his tenure working in agriculture enterprises in the San Joaquin Valley, a region that is known for its diverse agriculture industry. Mr. Stubbert is a graduate of California State University, Stanislaus, a member of the American Institute of Certified Public Accountants, and most recently served as the Chief Financial Officer of the Merced Irrigation District. Mr. Stubbert served on the Board of Directors of the United Way of Stanislaus County, where he held the role of Board President and Chairman of the Finance Committee during his nine years of service. He has also served as chairman of The Patterson Vegetable Company and Teamsters Local 948 Health and Welfare Benefit Trust.

Manjot Gill, Assistant General Manager, Electrical Engineering and Operations. Mr. Gill joined TID in September 2006 and was appointed Assistant General Manager, Electrical Engineering and Operations in June 2017. Mr. Gill directs the planning, design and operation of TID's transmission lines, distribution lines, substations, and communications systems. He also manages various technical studies and oversees coordination with TID's large industrial and commercial customers in the design of new electric service facilities. Prior to his current position, Mr. Gill held the position of Electrical Engineering Department Manager of Smart Grid and Standards and was responsible for District Metering, Electrical Standards, Solar Applications, Joint Pole, Electrical GIS, and large capital projects. During his career with TID he has also worked on several transmission line projects and designed distribution facilities for large industrial and commercial customers. Mr. Gill is a graduate of California State University, Sacramento with a Bachelor of Science degree in Electrical & Electronic Engineering. He is also a Licensed Professional Electrical Engineer in the State of California.

Dan Severson, Assistant General Manager, Power Supply. Dan Severson was appointed Assistant General Manager, Power Supply in 2020. Mr. Severson is responsible for managing the District's internal and external power generation and supply resources, day-ahead/hour-ahead energy trading and scheduling, energy settlements and various interactions with the California Independent System Operator, the California Energy Commission and the Federal Energy Regulatory Commission. Mr. Severson also oversees the permitting, licensing, design, construction, operation, and maintenance of power generation and related facilities. Mr. Severson is responsible for the long-term development and management of strategic solutions to the District's power supply. This includes renewable energy and greenhouse gas emission mandates, wholesale electric and gas transactions, wholesale transmission agreements, risk management in economic modeling, and load forecasting.

Tou Her, Assistant General Manager, Water Resources. Mr. Her joined TID in May 1997 and was appointed Assistant General Manager, Water Resources in January 2013. Mr. Her is responsible for the Water Resources and Regulatory Affairs, Civil Engineering, Water Distribution, Construction and Maintenance, and Hydrology departments. Prior to his current position, Mr. Her served as the Civil Engineering Department Manager, and was responsible for irrigation capital planning, engineering, project management, irrigation geographic information system and supervisory control and data acquisition, inspection of dams and other irrigation infrastructure, and survey/right-of-way. Mr. Her holds a Bachelor of Science degree in Civil Engineering from California Polytechnic State University, San Luis Obispo. He is a licensed professional civil engineer in the State of California and an alumnus of the California Agricultural Leadership Program (Class 45).

Employees

As of December 31, 2024, TID had approximately 482 employees (including open positions, but excluding temporary employees and members of the Board). All employees, excluding those in management, supervisory, confidential and professional classifications, are represented by either the Turlock Irrigation District Employees' Association (the "**Association**") (presently representing approximately 252 employees) or the International Brotherhood of Electrical Workers ("**IBEW**") (presently representing approximately 40 employees) in all matters pertaining to wages, benefits and working conditions. The 190 managerial, supervisory, professional and confidential employees receive substantially the same fringe benefit package as the Association's members. The existing agreements with the IBEW and the Association expire on December 31, 2024 and on December 31, 2026, respectively. TID's wages and fringe benefits are generally comparable to those offered by other local public utility agencies. TID has never experienced an employee strike or work stoppage. [Contract negotiations with IBEW to extend the term of the agreement are ongoing

Power Supply Resources

The following table sets forth information concerning TID's power supply resources and the energy supplied during the year ended December 31, 2023. The available capacity includes reserves and non-coincidental resources available for peak load requirements and therefore exceeds resources necessary for TID's peak load at any point in time.

TURLOCK IRRIGATION DISTRICT
2023 POWER SUPPLY RESOURCES

Source	*2023 Capacity Available (MW)*	*Actual 2023 Energy (MWh)*	*Percent of Total Energy*
Generating Facilities (TID-Owned):			
Hydroelectric[1]	115.0	581,825	16.75%
Wind Farm[2]		329,753	9.49
Combustion Turbine	43.0	(13)	0.00
Simple Cycle (Almond I & II)	205.0	188,373	5.42
Combined Cycle (WEC)	246.0	1,566,073	45.08
Solar	0.1	117	0.00
Sub-Total (TID-Owned)	609.1	2,666,128	76.64%
Purchased Power (Long-Term):[3]			
Northern California Power Agency	8.3	32,389	0.93
Sunpower PPA (Solar)	54.0	145,301	4.18
Western Area Power Administration	5.5	12,652	0.36
Sub-Total (Long-Term)	67.8	190,342	5.48%
Purchased Power (Short-Term):[4]			
Various Providers		617,662	15.97%
Total	676.9	3,474,132	100.00%
Total Energy Sold at Wholesale		1,196,236	
TID System Requirement for Retail		2,277,896	
Less: TID Losses		(61,866)	
Less: Interdepartmental Sales		(53,706)	
Total Energy Delivered at Retail		2,162,324	

(1) Including Don Pedro, La Grange and Small Hydro.
(2) The Wind Farm is a variable resource and does not provide firm capacity. Nameplate capacity of 136.6 MW. Annual net capacity factor averages 35-38%.
(3) One year or more.
(4) Less than one year.
Note: May not add to totals due to rounding.
Source: Turlock Irrigation District.

TID does not own sufficient generating resources to satisfy its entire load under peak conditions at all times, and purchases capacity to meet its projected loads. In addition, TID purchases power from wholesale suppliers in lieu of generating electricity with its own gas-fired units when it is economical to do so. Multiple factors determine TID's final power resource mix in any given year, including developments in the markets for power and natural gas supplies, transmission costs, regulatory requirements and weather conditions.

When economic, TID continues to purchase from short-term markets to satisfy retail load. In the fiscal year ending December 31, 2023, TID's wholesale and retail supply mix was comprised of approximately 76.4% TID-generated power and 23.6% purchased power. This compares to a supply mix of 62.7% TID-generated power and 37.4% purchased power in fiscal year 2022, and a supply mix of 57.5% TID-generated power and 42.5% purchased power in fiscal year 2021.

TID-Owned Generating Facilities

Hydroelectric Plants. TID, together with the Modesto Irrigation District ("**MID**"), owns a hydroelectric generating plant located at the Don Pedro Reservoir on the Tuolumne River (the "**Don Pedro Project**"). The Don Pedro Project is operated by TID and has four turbine generators with a current installed capacity of 203 MW. TID's ownership share of 68.46% of the Don Pedro Project equates to approximately 139 MW and 476,000 megawatt hours ("**MWh**") during average water years. Due to significant drought conditions for certain

years in the last ten years, average annual energy production by the Don Pedro Project for TID has been approximately 276,217 MWh over the last 10 years.

The Don Pedro Project is operated pursuant to a license issued by the Federal Energy Regulatory Commission ("**FERC**"). The initial 50-year license expired in 2016, and the Don Pedro Project has since operated under a temporary license that has been renewed annually by FERC since 2016. Under the federal Clean Water Act ("**CWA**"), FERC cannot issue the new license for the Don Pedro Project until the State Water Resources Control Board (the "**SWRCB**") issues certifications verifying the project's compliance with the CWA. TID and MID are in the process of relicensing the Don Pedro Project, which is a multi-year process that is open to public participation. TID and MID also expect to discuss the path forward with the SWRCB for the CWA certification for the Don Pedro Project, including the required environmental review under the California Environmental Quality Act. In addition, the SWRCB has been conducting proceedings to update the water quality objectives for the protection of fish and wildlife beneficial uses in the Lower San Joaquin River (which includes tributaries such as the Tuolumne River), and has approved certain amendments to the Bay-Delta Water Quality Control Plan (the "**Bay-Delta Plan**"), which establish an unimpaired flow regime for the Lower San Joaquin River. The SWRCB directed its staff, however, to incorporate potential amendments to agreements with beneficial users (including those with respect to the Tuolumne River) for the comprehensive update to the Bay-Delta Plan as an alternative to the unimpaired flow regime. TID and its partners on the Tuolumne River (MID and the San Francisco Public Utilities Commission) are participants in the activities to develop voluntary agreements for a number of flow and non-flow measures for SWRCB review and approval. The District anticipates the final terms of such agreements would be required to be incorporated into the Bay-Delta Plan . In addition, the terms of the agreements are expected to be incorporated into the new FERC license for the Don Pedro Project. TID can make no assurances as to when the implementation of the Bay-Delta Plan will occur or whether new river flow restrictions will be put in place which would have an impact on TID's generating capacity at the Don Pedro Project.

TID also owns and operates the La Grange Power Plant, a hydroelectric generating facility on the Tuolumne River completed in 1924 with a total operating capacity of approximately 5.1 MW. A rehabilitation and automation of the La Grange Power Plant was completed in 1991. From 2014 to 2023, average annual energy production was approximately 8,558 MWh. Because the La Grange Power Plant was constructed before the Federal Power Act (the "**FPA**") was enacted, the La Grange Power Plant was not historically required to have a FERC license. In December 2012, FERC issued an order finding licensing of the La Grange Power Plant to be required. TID and MID have filed their final license application, and in July 2020, FERC announced that it had completed preparation of a Final Environmental Impact Statement ("**FEIS**") for the re-licensing. District staff is currently reviewing the FEIS. Following completion of its review of the FEIS, at the appropriate time, the District and MID may oppose, before FERC or in court, if necessary, the imposition of any onerous conditions.

TID further owns and operates three hydroelectric generating facilities located on TID irrigation canals, which have received licensing exemptions from FERC. The first plant has a capacity of approximately 1.1 MW and was placed in commercial operation in 1979. The second plant has a capacity of approximately 3.3 MW and was put into commercial operation in 1980. The third plant has a capacity of approximately 5.7 MW and was placed in commercial operation in 1983. Generation of energy at all three plants is dependent upon the schedule of irrigation water deliveries to agricultural users. For the 2014-2023 period, aggregate average annual generation at these three plants has been approximately 14,592 MWh.

In addition to the small hydroelectric projects within its service area, TID also has financed, constructed, and now operates five small hydroelectric power plants outside of its service area with an aggregate installed capacity of 12.9 MW located in and owned by the neighboring Merced Irrigation District ("**MeID**"), Merced County, and the South San Joaquin Irrigation District in San Joaquin County. The average annual production of these projects was approximately 14,185 MWh from 2014 through 2023 (which reflects ongoing drought conditions during a substantial portion of such period).

As described above, TID's final power resource mix in any given year is determined by a variety of factors. Power generated at TID's hydroelectric projects are dependent on river flows which are influenced by hydrological conditions and applicable regulations. During periods of curtailed flow and power reduction at hydroelectric facilities, TID increases its use of other available power resources, which include TID's own generation and purchased power. TID has not experienced any material impacts on its operations or finances as a result of reduced water levels and flow at TID's hydroelectric facilities in recent years.

Combustion Turbine Power Plants. TID and MeID formed WECA, a California joint exercise of powers authority, in 2003 for the purposes of developing and operating the Walnut Energy Center (the "**WEC**"), a 250-MW natural gas-fired, combustion-turbine based, combined-cycle electric power generating plant. WECA is a joint powers authority formed under California law solely for purposes of the financing, construction and operation of the WEC. Although WECA is a separate legal entity from TID, its operations are consolidated into TID's audited financial statements as a component unit of TID because of the extent of WECA's operational and financial relationship with TID.

The WEC is located on an 18-acre site at the western edge of the City of Turlock, within a short distance of TID's Walnut Substation and Walnut combustion turbine facility (described below). The WEC was declared commercially operable on February 28, 2006, and dedicated on March 23, 2006. The gross capacity is 257 MW, which, after subtracting parasitic load, generally results in between 250 and 254 MW delivered to the grid (depending on the delivered natural gas pressure).

TID purchases all of the electrical capacity and energy of the WEC pursuant to a take-or-pay Power Purchase Agreement, dated as of April 1, 2004, between TID and WECA, under which TID is obligated to pay, among other things, operating costs of the WEC and debt service on WECA's bonds and other obligations. Such payments, like TID's payments under its other power purchase and transmission service agreements, are treated as Maintenance and Operation Costs of TID's Master Resolution, payable from Utility Revenues prior to debt service on TID's outstanding Master Resolution Obligations, as certain of such terms are defined under "TID'S FINANCIAL AND RELATED INFORMATION—Outstanding Bonds and Obligations"

TID also owns two gas-fired combustion turbine generating units, with a combined generating capacity of 48.0 MW, known as the Walnut Power Plant. These units were placed in service in 1986 and are used for operating reserves and to generate power during peak periods, offsetting purchases of more expensive power. The generation from this facility was 0 MWh in 2023 and is estimated to be 871 MWh for 2024.

In addition, TID owns a 49 MW, steam-injected combustion turbine power plant within its service area west of Ceres known as the Almond Power Plant. The Almond Power Plant was declared commercially operable in 1996, and in 1999 TID executed final acceptance of the facility. In 2012, TID completed an expansion of the Almond Power Plant which added three additional natural gas-fired, water-injected combustion turbines (the "**Almond 2 Power Plant**"). These new generation fast-start units came online in 2012. Upon commencement of commercial operation in July 2012, the units increased the generating capacity of the Almond Power Plant to 223 MW.

Wind Farm. TID and WECA formed the Tuolumne Wind Project Authority ("**TWPA**"), a California joint exercise of powers authority, in 2008. In July 2009, TWPA purchased a 62 turbine, 136.6 MW wind farm (the "**Wind Farm**"), located in Klickitat County, Washington, near the town of Goldendale, on the border of Washington and Oregon, along a ridgeline property overlooking the Columbia River. The Wind Farm, together with TID's existing renewable resources, including a solar power purchase agreement, banked RECs, short term purchases, and future procurements will enable TID to supply its' retail load with renewables in compliance with SB100 and the TID Board-adopted renewable portfolio standard ("**RPS**") policy established by the State.

TID purchases from TWPA all of the electrical energy and capacity of the Wind Farm, as well as certain credits, reductions, allowances and other benefits related to the renewable energy generated by the Wind Farm, pursuant to a take-or-pay Power Purchase Agreement, dated as of July 14, 2009, between TID and TWPA, under

which TID is obligated to pay, among other things, operating costs of the Wind Farm and debt service on TWPA's bonds and other obligations. Such payments constitute take-or-pay obligations and are treated as Maintenance and Operation Costs of TID, payable from Utility Revenues prior to debt service on TID's outstanding Master Resolution Obligations. See "TID'S FINANCIAL AND RELATED INFORMATION – Outstanding Bonds and Obligations – Take-or-Pay Obligations."

TWPA delivers the capacity and energy generated by the Wind Farm to TID pursuant to two interconnection agreements. The purchase and sale of the energy from TWPA to TID currently occurs at the Bonneville Power Administration's Rock Creek Substation. The balancing authority for the Wind Farm has developed procedures and protocols to address periods during which there is excess generation and insufficient decremental balancing reserves in the balancing authority area, resulting in oversupply events. Weather, high flows and load conditions have resulted in temporary oversupply events triggering such procedures. The policies of the balancing authority provide for curtailment of wind generation in circumstances of generation oversupply and, depending on whether such resource is participating in California Independent System Operator Corporation's ("**CAISO**") Western Energy Imbalance Market ("**EIM**"), generation may be curtailed as a function of their bid price and market conditions. See "TID'S ELECTRIC UTILITY SYSTEM—Future Power Supply Resources—Renewable Energy and Energy Efficiency."

On November 19, 2024, the TID Board and the TWPA Commission, each by separate resolution, consented to the sale of the Wind Farm to the potential purchaser. On November 25, 2024, TWPA entered into a purchase and sale agreement (the "Purchase and Sale Agreement") with a potential purchaser. The District expects the proposed sale to be completed in January 2025. As a condition to complete the sale of the Wind Farm under the Purchase and Sale Agreement, the District and the purchaser are required to enter into a power purchase agreement for the District's purchase of the power generated by the Wind Farm and the related RECs. Prior to the closing of the sale, the bonds of TWPA which were issued to finance the purchase price of the Wind Farm will be defeased. No assurances can be made that the potential purchase of the Wind Farm will proceed to a closing. See "TID'S FINANCIAL AND RELATED INFORMATION – Outstanding Bonds and Obligations – Take-or-Pay Obligations."

In the TID budget for Fiscal Year 2025, TID has assumed the sale of the Wind Farm and the execution of a power purchase agreement with the purchaser of the Wind Farm for the purchase of the output of the Wind Farm.

Purchased Power

Power Resources Cooperative. In 2015, TID purchased PRC's 50 MW of rights on the Pacific Northwest AC Intertie. This purchase provides TID a direct link from the northern terminus of the California-Oregon Transmission Project ("**COTP**") to the BPA transmission system (see "Transmission and Distribution—*Transmission Agency of Northern California California-Oregon Transmission Project*" below). TID plans to continue to use these rights to access the output of the Wind Farm and other economic resources in the Northwest.

Northern California Power Agency Geothermal Plant No. 2. The Northern California Power Agency ("**NCPA**") is a California joint powers authority currently consisting of 16 members and associate members. NCPA owns certain electric generating projects, including two geothermal electric generating plants known as NCPA Geothermal Plant 1 and NCPA Geothermal Plant 2 (collectively, the "**NCPA Geothermal Plants**"), which are located in Sonoma County in an area known as the Geysers Known Geothermal Resources Area (the "**Geysers Area**"). TID has acquired, via an Agreement for Transferred Rights to Capacity and Energy (the "**Geothermal Project Transfer Agreement**"), on a take-or-pay basis, 6.3305% of capacity and energy from the NCPA Geothermal Plants, and is responsible for 6.3305% of the capital expenditures and operations and maintenance expenses for both NCPA Geothermal Plants, shared facilities costs and steamfield costs. Pursuant to the Geothermal Project Transfer Agreement, TID is responsible to NCPA for its respective share of all of NCPA's costs (including debt service, if any) associated with the NCPA Geothermal Plants on a take-or-pay basis (i.e., whether or not the plants are operating or operable). TID is also required (along with the other non-

defaulting participants in Geothermal Plant 2) to increase its costs and entitlement shares by its pro-rata share of the cost and entitlement shares of any defaulting participant (with the total of any such increases being limited to 25% of TID's original costs and entitlement shares in Geothermal Plant 2). Such payments are treated as Maintenance and Operation Costs of TID, payable out of Utility Revenues prior to debt service on TID's outstanding Master Resolution Obligations. See "TID'S FINANCIAL AND RELATED INFORMATION—Outstanding Bonds and Obligations—Take-or-Pay Obligations."

The NCPA Geothermal Plants experienced greater-than-originally anticipated declines in steam production from existing geothermal wells. Initially, both Geothermal Plant 1 and Geothermal Plant 2 were operated as baseload generating projects at 238 MW, comparable to the manner in which other Geysers Area projects were being operated. However, operation of both plants at high generation levels, together with high steam usage by others in the same area, resulted in a decline in the steam production from the steam wells at a rate greater than expected. As a result, an operating plan has been developed that encompasses steam field management, water injection pressure operation and additional water source development, and includes a detailed steam well monitoring system that has enabled a more efficient utilization of the existing steam field resources. Current expectations are that the output from the plant will decrease gradually over time. These anticipated decreases are not expected to be material to TID's supply because TID expects to be able to replace such reductions in output through additional short-term purchases, additional generation or reduced wholesale sales.

Western Purchased Power. TID currently has a base resource contract with the Western Area Power Administration ("**Western**") that began on January 1, 2025 and has a term of 30 years terminating on December 31, 2054 (the "**WAPA Base Resource Contract**").

The current WAPA Base Resource Contract entitles TID to 0.66362% (approximately 9.8 MW) of the power output of the Central Valley Project ("**CVP**") and Washoe Project (both hydroelectric projects), plus any existing Western purchase contracts that Western determines will be available for marketing to preference power customers such as TID. The actual amount of power output available to TID varies based on hydrology and other constraints that limit CVP operations. As payment for the power received from Western, TID reimburses Western its pro rata share (0.66362%) of Western's power related revenue requirement.

Sunpower Solar Power Purchase Agreement. On November 6, 2015, TID entered into a 20-year power purchase agreement with Sunpower for the output of a 54 MW solar PV plant to be built in Kern County, California ("**Sunpower PPA**"). The PV plant came online in February 2017 and is now owned and operated by Duke Energy Renewables.

Other Power Purchase Agreements. Generally, TID has entered into power purchase agreements solely or primarily for use within its own system. However, there are times that purchases are made to support sales to wholesale customers. During 2024, TID continued to supply power and energy to MeID under a full requirement Power Supply Agreement (the "**MeID Power Supply Agreement**"), pursuant to which TID supplies all of MeID's needs except for MeID's share of the Central Valley Project marketed by Western. Under the MeID Power Supply Agreement, TID sells power on a full requirements basis to meet all the MeID energy and capacity requirements except as defined under the MeID Power Supply Agreement. TID receives an energy payment in accordance with the formula defined in the MeID Power Supply Agreement, based in part on the market price of energy in California. Under a separate Interconnection Agreement, TID is compensated for MeID's use of TID's transmission system. The MeID Power Supply Agreement between TID and MeID expires in April 2028.

From time to time TID has entered into purchases for resale transactions that have resulted in additional Revenues. The agreements have not involved significant payments, nor have they been for significant amounts of power or periods of time. TID currently does not expect to significantly increase the amount, frequency or duration of any such purchases for resale, although it has the authority to do so. See note 17 to TID's audited

financial statements as of and for the years ended December 31, 2023 and 2022 attached as APPENDIX B hereto for information with respect to TID's other power purchase agreements.

Interchange Agreements. In 1990, TID became a member of the Western Systems Power Pool, which enables TID to make arrangements to purchase or sell power with over 250 parties throughout the United States.

In 2009, TID became an active member of the Northwest Power Pool Reserve Sharing Group (the "**RSG**"). For the purposes of contingency reserve and Disturbance Control Standards, the RSG acts as a single entity. Should TID's electric system experience a contingency, such as loss of a generating resource or an outage to a transmission path, it can call upon the resources of the RSG in order to quickly recover from the contingency and maintain the reliability of the RSG and the interconnected system. As a member of the RSG, TID is able to reduce its contingency operating reserve requirements from near 120 MW to as few as 30 MW, subject to load requirements, when sufficient transmission is available.

Natural Gas Supply, Transportation and Storage

Natural Gas Requirements for Electrical Generation. Natural gas is the primary fuel and the primary variable operating cost of the Almond Power Plant, the Almond 2 Power Plant, the Walnut Power Plant and the WEC (each a "**Gas Generation Facility**" and collectively, the "**Gas Generation Facilities**"). See "TID'S ELECTRIC UTILITY SYSTEM—TID-Owned Generating Facilities—Combustion Turbine Power Plants" herein. The Almond Power Plant, the Almond 2 Power Plant and the Walnut Power Plant together can require delivery of up to 66,000 million British Thermal Units ("**MMBtu**") of natural gas per day, with current average daily requirements of 5,000 to 6,000 MMBtu per day.

The WEC can require delivery of up to 48,000 MMBtu per day, with average daily requirements of 25,000 to 34,000 MMBtu per day. A portion of the unconditional payments made by TID to WECA includes amounts sufficient to pay for the cost of supply, transportation, transmission, distribution, balancing and measurement of the WEC's natural gas supplies. See "TID'S FINANCIAL AND RELATED INFORMATION—Outstanding Bonds and Obligations—Take-or-Pay Obligations" below.

Fuel Supply Risk. The operating requirements for TID's natural Gas Generation Facilities are supplied via pipeline. The Almond Power Plant is connected by a gas supply pipeline to a local PG&E pipeline ("**Line 148**"). The Almond 2 Power Plant is connected to an extension from PG&E line 215 which has been the supply line for the Walnut Power Plant and the WEC since their construction. Lines 148 and 215 interconnect with PG&E's California Gas Transmission Pipeline which extends through Northern and Central California and into Southern Oregon. Line 148 was interconnected, via a regulating station, to the new extension of Line 215 to Almond 2 Power Plant in 2012 resulting in increased reliability of the gas supply to the Almond Power Plant and the Almond 2 Power Plant. In 2017, TID experienced a brief disruption in the delivery of gas to the Gas Generating Facilities. During the disruption, TID was able to continue operations at the Walnut Power Plant through the use of an alternative fuel source. Since 2017, TID has not experienced any disruptions to either Line 148 or Line 215.

In the event of a failure in any of the gas supply pipelines resulting in interruption or curtailment of supplies of natural gas to one or more of the Gas Generation Facilities, such facility or facilities would likely be forced to curtail or cease generation, potentially for an extended duration, until the failure is resolved. Such a failure in the gas supply pipelines could be caused by any one of numerous factors, many of which remain outside the control of TID. These factors include, but are not limited to, acts of God, landslides, lightning, earthquakes, or storms; acts, orders, omissions to act, or delays in action of or by a federal, state, or local government or agency; compliance with rules, regulations, or orders of a court or other governmental authority; strikes, lockouts, or other industrial disturbances; acts of sabotage, wars, blockades, riots, or terrorist attacks; epidemics, floods, fires, or washouts; civil disturbances; explosions, breakage of or accident or necessity of repairs to machinery or equipment or lines of pipe; weather-related events, such as low temperatures which cause freezing or failure of wells or lines of pipe; interruption or curtailment of firm transportation and/or storage services

provided by third parties; hydrate obstructions of lines of pipe; and economic hardship. There might be no alternative routes by which natural gas could be delivered to these facilities in the event of a failure in any of the gas supply pipelines depending upon the cause of such failure and where it occurred. Even if an alternative route were available, PG&E is obligated to meet core load first. TID's generation is classified as non-core, which is lower in priority. The Walnut Power Plant has a 150,000 gallon diesel fuel tank on site (which can be refilled daily) which allows the gas turbines to operate on diesel fuel during a gas curtailment.

Fuel Price Risk and Hedging. TID uses a combination of an established Risk Management Policy, a gas procurement plan, fuel supply agreements, its interests in natural gas reserves, long-term transportation and storage capacity rights, forward purchases, swaps and options to hedge the impact of gas price volatility and to ensure reliable fuel supply to the Gas Generation Facilities. Described below are TID's applicable policies and procurement plans and some of the major transactions/agreements entered into by TID to achieve such goals. Such policies and plans are subject to change in the future by TID and its Board.

To manage the risk associated with its gas supply requirements, TID has established a Risk Management Policy that limits its gas supply risk exposure by establishing position limits for the current month, next month, next three months, next six months, and next twelve months and a value-at-risk limit for the current and next twelve months. Furthermore, TID expects to hedge 20% to 80% of its fuel needs to serve TID's fixed price load for the next five years through long-term, fixed-price contracts (collectively, the "**Long-Term Gas Hedges**") and production from its natural gas reserves interest. TID's fixed price load equals TID's retail electric load plus fixed-price wholesale sales. Gas requirements for variable-priced wholesale sales, in general, are not hedged, as revenues from such sales would generally fluctuate in concert with gas price movements. Using a methodology similar to dollar cost averaging, TID spreads Long-Term Gas Hedges into several transactions with larger quantities obtained per transaction when prices are lower and smaller quantities when prices are higher. TID generally expects to make Long-Term Gas Hedges only if the price is below a threshold determined based on current and expected market conditions and the purchase is not expected to put upward pressure on TID's retail electric rates. See "TID'S ELECTRIC UTILITY SYSTEM—Risk Management for Energy Trading" below.

TID currently has two long-term natural gas supply agreements (collectively, the "**Gas Supply Agreements**") with two companies to meet the consumption need of the Gas Generation Facilities. One Gas Supply Agreement supplies the WEC and expires January 1, 2026 (the "**WEC Gas Supply Agreement**"), which is expected to be replaced by a similar agreement upon expiration. The second Gas Supply Agreement addresses supplies for the Almond Power Plant and the Walnut Power Plant (the "**Almond Gas Supply Agreement**"). The Almond Gas Supply Agreement expires January 1, 2026, and is expected to be replaced by a similar agreement upon expiration. TID can purchase up to 55,000 MMBtu per day under the WEC Gas Supply Agreement, and up to 50,400 MMBtu per day under the Almond Gas Supply Agreement. In order to facilitate the initial gas supply for the Commodity Purchase Agreement, TID expects to assign to J. Aron a portion of its rights and obligations to receive natural gas under the Gas Supply Agreements. See the caption "THE COMMODITY PURCHASE AGREEMENT – Delivery of Gas" in the front part of the Official Statement.

The price for gas purchased under the Gas Supply Agreements can be based on certain natural gas indexes or quoted prices, as defined in the Gas Supply Agreements. Such a pricing structure allows TID the ability to hedge future gas requirements using physical or financial hedges. The Gas Supply Agreements permit TID to buy gas from other parties besides the respective fuel managers, allowing TID to buy from the lowest cost supplier and to spread purchases among several suppliers to minimize supplier non-performance risk. Furthermore, the Gas Supply Agreements permit TID to sell its excess natural gas to other parties besides the respective fuel manager, allowing TID to sell to the highest bidder and to spread its receivables risk amongst several entities. The cost of fuel purchased from all counterparties to the Gas Supply Agreements totaled $92.7 million in 2023. Under the Gas Supply Agreements, gas is delivered to the PG&E Citygate (a virtual trading point at which PG&E's natural gas transmission system connects with PG&E's local transmission system or distribution system).

In 2005, TID acquired an approximately 4.5% non-operating ownership interest in gas producing properties located near Pinedale, Wyoming, for $34.6 million. In 2006, TID acquired approximately a 6.7% non-operating ownership interest in gas producing properties located near Fort Worth, Texas, for $37.2 million. TID's share of gas and other fuels produced from these properties is sold to wholesale buyers, serving as an economic hedge to offset TID's gas supply costs.

TID's obligation to make certain payments pursuant to some power purchase agreements is absolute and unconditional, irrespective of whether the associated projects or any part thereof are operable or operating. Increases in fuel supply, transmission and storage costs, or the failure of counterparties in its natural gas arrangements, pose a financial risk to TID. See "TID'S FINANCIAL AND RELATED INFORMATION—Outstanding Bonds and Obligations—Take-or-Pay Obligations" below. The Long-Term Gas Hedges and the Gas Supply Agreements expose TID to certain risks of non-performance by counterparties, including by reason of insolvency or bankruptcy of a counterparty. However, most of TID's agreements that govern these gas prices or hedges have provisions allowing TID to mitigate counterparty non-performance risk.

Firm Capacity and Ownership Interests in Gas Supplies. TID does not currently have fixed price gas supply and transmission arrangements in place to meet all of its fuel supply needs. TID is therefore exposed to price volatility for such commodities and services for a portion of TID's fuel supply needs. TID holds 13,000 MMBtu per day of firm transportation capacity from Canada to the California state line and, if advantageous, TID may pursue purchasing matching in-state capacity to transport gas on a firm basis from the state line to the PG&E Citygate. TID's firm natural gas transportation capacity rights are available to support approximately 45% of the average daily gas requirements of the Gas Generation Facilities.

TID also holds storage capacity rights in Northern California, from which gas can be withdrawn to provide up to another 5,075 MMBtu per day during the months of July, August, November, and December to meet swing load instead of purchasing additional flowing supply. The storage rights also allow TID to take advantage of seasonal price differentials, to the extent they exist. Such firm transportation and storage capacity rights complement TID's Gas Supply Agreements described above, increase the reliability of gas supply to TID's power plants, and act as a hedge against volatility in seasonal gas price differentials. Most of the above-described transportation capacity rights expire in 2033 (and TID has the right to extend the others to the same date) and the storage capacity right expire in 2034.

Adhering to its Risk Management Policy and the implementation of the gas procurement plan described above, TID expects to avoid significant negative financial impacts due to gas price increases and at the same time maintain the possibility of benefiting from temporary reductions in gas prices. To date, volatility in gas prices which may have resulted due to geopolitical events have not had any impact on TID which were not generally experienced State-wide, and such volatility has not had any material impact on TID's operations or finances.

Future Power Supply Resources

Integrated Resource Strategy. TID relies on three categories of power supply: TID-owned generation, long-term contracts, and the short-term market purchases.

TID is currently negotiating a power purchase agreement (with option to purchase) for the Hondeville Solar Project. The project is planned for a 100 MW solar and 100MW/200MWh storage facilities interconnecting to the TID system at the Westley substation. Construction of the project is currently expected to start in mid-2025 and is expected to be operational in mid-2027. The project is expected to generate approximately 300,000 MWh annually, which is enough energy to serve approximately 14% of TID's retail system needs, or enough power to serve over 30,000 average residences.

If the sale of the Wind Farm to the proposed purchaser occurs under the Purchase and Sale Agreement, the proposed purchaser is expected to make certain improvements to repower the Wind Farm, which are expected

to result in an increase annual generation between approximately 75,000 and 150,000 MWh per year. The repowering of the Wind Farm, if undertaken, is expected to begin no earlier than Fiscal Year 2027, with the latest commencement date of the repowering commencing in 2032. Pursuant to the terms of the Purchase and Sale Agreement, TID and the potential purchaser are required to enter into a power purchase agreement pursuant to which TID will purchase the output of the Wind Farm.

In addition to the two potential power purchase agreements described above, TID issued a request for proposals for renewable resources in July 2024 and aims to execute on or more power purchase agreements with one or more projects submitting bids in response to the request for proposals. TID is currently in the process of short-listing projects for power purchase agreement negotiations. The estimated generation and online date will vary by project. TID currently estimates any power purchase agreement entered into by TID would be for a project with annual generation of at least 300,000 MWh/year and with an estimated online date occurring in 2027 or later.

Projected Load Growth. For planning purposes TID has assumed and, as of November 15, 2024 continues to assume, that its retail load (including delivery losses) will be approximately 2,378,059 MWh in 2024, increasing on average by approximately 1.2% annually, and reaching approximately 2,916,957 MWh in 2044.

Renewable Energy and Energy Efficiency

On April 12, 2011, the Governor of California signed SBX1-2, a bill which replaced the State's prior RPS requirements with one requiring retail sellers of electricity, including municipal utilities, to procure electricity from eligible renewable energy resources, as defined in SBX1-2, in amounts equal to at least: (i) over the 2011-2013 compliance period, an average of 20% of retail sales from January 1, 2011 to December 31, 2013, inclusive; (ii) over the 2014-2016 compliance period, a total equal to 20% of 2014 retail sales, 20% of 2015 retail sales, and 25% of 2016 retail sales; (iii) over the 2017-2020 compliance period, a total equal to 27% of 2017 retail sales, 29% of 2018 retail sales, 31% of 2019 retail sales, and 33% of 2020 retail sales; and (iv) for 2021 and each subsequent year, 33% of retail sales for the applicable year. TID met its RPS requirements for the compliance period ending December 31, 2020 and is on track to meet its RPS requirements for the current compliance period ending December 31, 2024. Retail sellers, including municipal utilities, may satisfy a portion of the RPS with tradable renewable energy credits ("**RECs**"). Should the California Energy Resources Conservation and Development Commission ("**CEC**") determine that a municipal utility has failed to comply with this mandatory RPS, SBX1-2 directs the CEC to refer the matter to the California Air Resources Control Board ("**CARB**"). CARB has authority under SBX1-2 to impose penalties upon any municipal utility referred to it by CEC for failure to comply with the RPS, provided that (i) such penalties must be comparable to those adopted by the CEC for other retail sellers, and (ii) CARB may not impose separate penalties upon a municipal utility for failure to comply with each of the renewable energy standards ("**RES**") and the RPS as a result of the same infraction. On October 1, 2013, the CEC adopted Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities, codified at Title 20, Division 2, Chapter 13 and Chapter 2, Article 4 of the California Code of Regulations, as subsequently amended (the "**Enforcement Procedures**").

SB 350, the Clean Energy and Pollution Reduction Act of 2015, as enacted, establishes an RPS target of 50% by December 31, 2030 for the amount of electricity generated and sold to retail customers from eligible renewable energy resources for retail sellers and POUs, including interim targets of (i) 40% of retail sales from eligible renewable energy resources by December 31, 2024; (ii) 45% of retail sales from eligible renewable energy resources by December 31, 2027; and (iii) 50% of retail sales from eligible renewable energy resources by December 31, 2030.

SB 350 requires each retail seller of electricity (including IOUs, most POUs above a certain size threshold, community choice aggregators and energy service providers) to prepare a renewable energy procurement plan on an annual basis, and all POUs with demand greater than 700 gigawatt hours to develop an integrated resource plan ("IRP") at least once every five years, commencing no later than January 1, 2019. TID

is complying with these requirements. The District is subject to this requirement. As required in the statute, all IRPs are to be submitted to the CEC, including information outlined in the CEC's POU IRP Guidelines. TID completed its initial IRP within the required timeline. In accordance with SB 350, TID filed an IRP for calendar years 2024 through 2030 with the CEC in March 2024.

In September 2018, then-Governor Edmund G. Brown, Jr. signed Senate Bill 100 ("**SB 100**") into law, which modified the State's RPS and established a statewide requirement for utilities to meet the goal of serving their retail load with 60% renewable energy by 2030. SB 100 requires retail electric sellers and publicly owned utilities to procure a minimum quantity of electricity products from eligible renewable energy resources so that the total kWhs of those products sold to retail end-use customers achieve (i) 44% of retail sales by December 31, 2024; (ii) 52% of retail sales by December 31, 2027; and (iii) 60% of retail sales by December 31, 2030. SB 100 additionally establishes that it is the policy of the State that eligible renewable energy resources and zero-carbon resources supply 100% of retail sales of electricity to California end-use customers by December 31, 2045. SB 100 reaffirmed the roles for the CEC and CARB with respect to the monitoring, compliance and enforcement of utilities, such as TID with respect to the State's revised RPS. In December 2018, TID replaced its existing RPS policy with a new renewable resources procurement plan to comply with SB 100. On September 16, 2022, SB 1020, also known as the Clean Energy, Jobs, and Affordability Act of 2022, was passed. This bill includes clean energy targets of 90% by 2035, 95% by 2040, and 100% by 2045.

While large hydroelectric power plants do not currently qualify as renewable resources for the purpose of meeting the 60% objective, power generated as a result of efficiency improvements at large hydroelectric power plants is, subject to certain conditions, an eligible renewable energy resource under SB 100.

Transmission and Distribution

TID is a member of a California joint powers agency known as the Transmission Agency of Northern California ("**TANC**"). TANC, together with the City of Redding, Western, two California water districts and PG&E operates a 339-mile, 1,600-MW, 500-kV transmission power project between Southern Oregon and Central California known as the California-Oregon Transmission Project ("**COTP**"). TID has an approximately 17.4% share, or 237 MW (net of third party layoffs by TANC), of TANC's entitlement to north to south scheduling rights on COTP, and is likewise responsible for a corresponding percentage of TANC's COTP financing obligations. TID's share includes an approximate 1.6% share, or 22 MW, of scheduling rights acquired pursuant to 15-year layoff agreements effective February 1, 2009 (the "**2009 Layoff Agreement**") entered into by TID (along with MID and the Sacramento Municipal Utility District ("**SMUD**")), and an approximate 3.2% share, or 44 MW, of scheduling rights acquired pursuant to a 25-year layoff agreement effective July 1, 2014 entered into by TID (along with MID and SMUD), to utilize all or a portion of the entitlements of certain other TANC members (collectively, the "**Layoff Entitie**s") in TANC's entitlement to COTP transfer capability (subject to certain rights of the Layoff Entities to recall, and certain rights of MID, TID and/or SMUD to return, up to 50% of their respective shares of the entitlement amount laid off). The 2009 Layoff Agreement was further amended in January 2024 (the "**2024 Amendment**") extending the 2009 Layoff Agreement term an additional ten (10) years with an annual market payment to City of Palo Alto. In 2029, TID's scheduling rights decline to 193 MW as the 2014 layoff terminates. In connection with such agreements, TID is obligated to pay the pro rata COTP costs associated with all such scheduling rights.

The TANC Member-Participants' obligations to make payments (including their respective share of financing obligations) to TANC are not dependent upon operation of COTP and are not subject to reduction. Upon an unremedied default by one TANC Member-Participant to make a payment required under the TANC Agreement, the non-defaulting TANC Member-Participants are required to increase, pro rata, their percentage entitlement shares by the amount of the defaulting TANC Member-Participant's entitlement share provided that no such increase shall result in a greater than 25% increase in the entitlement share of the non-defaulting TANC Member-Participant. Payments made by TID for TID's share of the TANC entitlement, including the costs TID pays in relation to the additional scheduling rights, are treated as Maintenance and Operation Costs of TID,

payable out of Utility Revenues prior to debt service on the outstanding Master Resolution Obligations (described in this Appendix under "TID'S FINANCIAL AND RELATED INFORMATION").

As the 339-mile COTP transmission line runs from Klamath County in Southern Oregon to the Tesla Substation located south of the City of Tracy in San Joaquin County, in central California, approximately 34% of the transmission line runs through the "elevated" Tier 2 fire risk zone and 1% runs through the "extreme" Tier 3 fire risk zone as identified on the CPUC's Fire Threat Map. TANC employs an extensive, longstanding fire risk management plan to mitigate its wildfire risk exposure that includes semi-annual aerial inspections; a series of annual ground inspections; a rigorous vegetation management program; as well as limiting crops and vegetation height in orchard areas. The COTP is constructed entirely of steel lattice towers or single pole steel structures which includes a 200 foot right-of-way for the majority of the COTP that is kept clear of trees and large vegetation. TANC has submitted its wildfire mitigation plan for the COTP to the California Wildfire Safety Advisory Board as required by California Senate Bill 901.

TID receives power from COTP via the 230kV Westley/Tracy transmission lines which are owned 50% by TID and 50% by MID.

TANC Tesla-Midway Transmission Service. PG&E provides TANC and certain of its members with 300 MW of firm, bi-directional transmission service on its transmission system between its Midway Substation near Buttonwillow, California and electric systems of the TANC Members or the COTP (the "**Tesla-Midway Service**") under a long-term agreement known as the South of Tesla Principles. TID's long-term share of the Tesla-Midway Service is 19 MW. In addition, as part of the 2009 Layoff Agreement, TID acquired an additional 3.36 MW, for a total long-term share of 22.36 MW. The Tesla-Midway Service provides priority service to and from the Midway Substation and enables TID to avoid some of the effects of a congested transmission system.

Westley/Tracy 230 kV Transmission Project. In order to utilize TID's share of the COTP's transmission capacity on a more cost-effective basis, TID joined with MID to construct a 30-mile, 230,000-volt transmission line and switchyard from its interconnection with PG&E near Westley, California to the Western system and the COTP's Tracy Substation near Tracy, California. TID and MID jointly own the project and are each entitled to 50% of the transmission line capacity.

115 kV Transmission Expansion Project. From 1997 through 2008, TID undertook a long-term expansion of its double circuit 115-kV transmission system. The first section from Tuolumne Substation to Merced's Pioneer Substation was completed in 1997. TID's Cortez Substation was also converted from 69 kV and placed into the new 115-kV system in 1997. The second section connected to the first section of line in the Delhi area and went westward toward Hilmar Substation. This second section of line, including the rebuild of Hilmar Substation, was completed in 1998. In 2002, the third section of line was constructed from Hilmar Substation to a new 230/115-kV substation at Walnut Substation. In 2004, the fourth section of line was constructed from the Walnut Substation to a new substation (Marshall Substation) south of the City of Patterson. The fifth and final section, completed in 2008, completed the loop with a 9-mile line from the Marshall Substation to a new 230/115-kV Westley Substation constructed adjacent to the joint Modesto/Turlock Westley Switchyard in Westley, California.

Hughson-Grayson 115-kV Transmission and Substation Project. TID constructed a 10-mile, 115-kV double circuit transmission line from the existing Hughson Substation to a new substation built south of the City of Ceres on Grayson Road in 2012. The project also included the construction of two, double circuit 69-kV transmission lines. One line loops into the Westport-Gilstrap 69-kV line and is located along the last mile of the 115-kV line into the Grayson Substation. The other extends approximately 1,000 feet from Grayson Substation to the Almond Power Plant and is necessary to deliver power from the three Almond 2 Power Plant combustion turbines. Additional objectives of this project were to increase the reliability of the TID transmission system and to relieve congestion on TID's existing 69-kV transmission system. This project also serves future load growth in the Ceres area.

Fairground-Industrial 69 kV Transmission Line Project. In 2016, TID completed a 1.6-mile, 69 kV single circuit transmission line from the existing TID Fairground Substation to the existing TID Industrial Substation. The project included upgrades to an existing 69-kV transmission line that included construction of new facilities in order to complete the existing line segment. The project eliminated the need for reliability must-run generation and line switching under the same load and contingency scenarios and provided additional flexibility during maintenance operations.

Washington 115/12 kV Substation Project. In late 2017, TID completed construction of and commissioned a new 115/12 kV substation (the "**Washington Substation**"). The Washington Substation was built on TID-owned property adjacent to the existing TID Walnut 230/69-kV and Walnut 230/115-kV transmission substations. The Washington Substation was situated to tie into the TID 115-kV transmission system by looping the then-existing TID Walnut-WEC 115-kV Line. The purpose of the Washington Substation was to support planned industrial load growth in west Turlock and to reduce existing load on the nearby TID Commons Substation. While the project was originally built with one 42 MVA transformer and three 12-kV distribution feeders, the Washington Substation is planned to eventually include an additional 42 MVA transformer that will enable the substation to accommodate up to eight distribution feeders in support of anticipated load growth in west Turlock. The second 42 MVA transformer is currently expected to be added in approximately Fiscal Year 2028-29.

Rates and Charges

General. TID's Board has full and independent power to establish revenue levels and rate schedules for all electric service provided by TID, and rate changes are not subject to administrative or regulatory approval. In particular, TID's rates are not subject to the jurisdiction of the CPUC. TID is not subject to retail rate regulation by any State or federal regulatory body, and is empowered to set retail rates effective at any time. TID has maintained rates for electric service that have been sufficient to provide for all operating and maintenance costs and expenses, debt service, debt service coverage ratios, repairs, replacements and renewals and base capital additions to the electric and irrigation systems. Rates and charges of TID are set by its Board and generally are based on a cost of service methodology.

TID's Power Supply Adjustment ("**PSA**") billing factor provides for an adjustment to the kilowatt-hour portion of customer bills to reflect variations in the cost of purchased power and fuel used for generation of electric energy, and revenue from wholesale sales of energy to other entities. The PSA rate may be reset semi-annually in June and December. The Board has limited the PSA's semi-annual rate adjustments to between -$0.005 and +$0.01 per kWh. A balancing account is maintained in an amount by which the energy revenues collected from retail customers and wholesale sales of energy are less than (or more than) the actual cost of fuel and purchased power. Excesses (or deficiencies) in the balancing account are refunded (or recovered) from TID's retail customers by decreasing (or increasing) the PSA billing factor. On December 31, 2023 the excess in the balancing account was $12.1 million.

In December 2011, the Board approved a new charge to cover the increasing costs of complying with environmental regulations through an Environmental Charge ("**EC**"). The EC became effective February 1, 2012. The EC costs include the cost of the Wind Farm, AB 32 compliance, and costs to comply with environmental laws, rules and regulations as may be placed upon TID. Some of these costs were formerly collected under the PSA (described above). The EC was set at $0.0269/kWh effective January 1, 2015.

On November 26, 2024, TID's Board approved a series of system-wide rate increases that are to be implemented over a three year period that commenced on January 1, 2025. The approved rate increases are approximately 5% per year, or approximately 15% in total over such three-year period. See also "TID'S FINANCIAL AND RELATED INFORMATION—Capital Requirements."

TID's customer bills are due 25 days after issuance and at approximately 28 days the account is assessed a penalty. At approximately 38 days a Disconnect Notice is generated unless the total dollar amount is less than

$150 or the 1st bill balance is less than 20% of the total amount. Accounts are generally disconnected after approximately 49 days. From 2019 through 2023, TID charged off an aggregate net amount of $1.4 million on retail energy billed revenues of approximately $1.5 billion over such period, resulting in a collection rate in excess of 99%.

In 1997, TID began imposing a mandatory deposit/credit establishment requirement for all new TID customers to pay a deposit. As of December 31, 2023, TID had a balance of approximately $9.9 million of such deposits.

Rate Regulation. Although the retail rates of TID are not subject to approval by any federal agency, TID is subject to certain ratemaking provisions of the federal Public Utility Regulatory Policies Act of 1978 and, under certain circumstances, could be subject to FERC refund authority over municipal utilities pursuant to the Federal Power Act, as amended by the Energy Policy Act of 2005. TID is and has for some time been a licensee of hydroelectric projects and is a customer of licensees, but no jurisdictional authority to regulate their rates has been asserted by FERC. FERC could potentially assert jurisdiction over rates of licensees of hydroelectric projects and customers of such licensees under Part I of the Federal Power Act, although it has not as a practical matter exercised or sought to exercise such jurisdiction to modify rates that would legitimately be charged. If it did assert such jurisdiction, the result might have some significance for TID.

Under Sections 210, 211, 211A, and 212 of the FPA, FERC has the authority, under certain circumstances and pursuant to certain procedures, to order certain utilities (municipal, distribution cooperative or otherwise) to provide transmission access to others at FERC-approved rates. In addition, the Energy Policy Act of 2005 ("**EPAct 2005**") expanded FERC's jurisdiction to require municipal utilities that sell more than eight million MWhs of energy per year to pay refunds under certain circumstances for sales into organized markets. However, TID's current operations are not expected to approach this threshold in the foreseeable future.

The CEC is authorized to evaluate rate policies for electric energy as related to the goals of the Energy Resources Conservation and Development Act and to make recommendations to the Governor and the Legislature of California, as well as local, publicly owned electric utilities.

It is possible that future legislative and/or regulatory changes could subject the rates and/or service area of TID to the jurisdiction of the CPUC or to other limitations or requirements.

Major Customers

For the year ended December 31, 2023, the ten largest customers of TID's electric system, in terms of kWh sales, accounted for approximately 20.7% of total kWh sales and approximately 16.4% of total revenues. The largest of such customers accounted for approximately 7.4% of total kWh sales and approximately 5.4% of total revenues. Five of the ten largest customers individually accounted for less than 16.0% of total kWh sales and less than 12.5% of total revenues.

Customer Accounts, Energy Sales, Revenues and Demand

The number of customer accounts, MWh sales, revenues derived from sales, all by classification of service, peak demand and sources of power during the past five calendar years are listed in the following table:

CUSTOMER ACCOUNTS, ENERGY SALES, REVENUES AND DEMAND

	Fiscal Year Ending December 31,				
	2023	***2022***	***2021***	***2020***	***2019***
Number of Customer Accounts (Average for the Period):					
Residential	75,883	75,459	75,238	74,376	73,978
Commercial	7,531	7,493	7,469	7,386	7,320
Industrial	952	914	883	876	883
Other[(1)]	10,678	10,533	10,326	21,346	21,085
Total	95,044	94,399	93,916	103,984	103,266
MWh Sales:					
Residential	786,419	812,271	826,440	821,010	745,512
Commercial	135,912	141,083	141,141	134,617	134,018
Industrial	858,725	855,969	843,108	808,223	792,909
Other[(1)]	381,267	443,219	413,741	399,657	373,378
Total Retail[(2)]	2,162,323	2,252,542	2,224,430	2,163,507	2,045,817
Wholesale Power	1,041,378	1,098,092	1,214,391	1,124,759	1,307,447
Total	3,203,701	3,350,634	3,438,821	3,288,266	3,401,734
Revenues from Sale of Energy (in 000's):					
Residential	$134,223	$ 130,741	$ 132,132	$ 130,991	$ 119,534
Commercial	20,723	20,121	19,993	19,186	19,039
Industrial	111,947	102,935	100,311	96,630	95,450
Other[(1)]	56,249	59,769	55,868	54,167	51,031
Power Supply Adjustment	(12,145)	7,339	(18,813)	(25,935)	(30,235)
Rate Stabilization Transfer	34,390	21,192	--	--	9,570
Total Retail Energy[(3)]	$345,387	$ 342,097	$ 289,491	$ 275,039	$ 264,389
Electric Service Charges	530	630	323	246	409
Other Electric Revenue	53	46	32	38	38
Total Electric Energy Retail	$345,970	$ 342,773	$ 289,834	$ 275,323	$ 264,836
Wholesale Power	90,925	120,579	78,830	47,052	54,980
Total	$436,895	$ 463,352	$ 368,664	$ 322,375	$ 319,816
System Peak Demand (MW)	567	594	562	571	537

(1) Includes agricultural, municipal water pumping, street lighting and interdepartmental meters.
(2) Excludes system losses.
(3) After PSA deferral and Rate Stabilization Fund transfer. (See "—Rates and Charges" above.)
Source: Turlock Irrigation District.

Energy Services

In 2021, TID's Board adopted an updated 10-year energy efficiency goal. For 2023, TID's established goal was to conserve 11,139 MWh of electricity and it achieved 6,289 MWh of conserved energy. For 2024 TID's established goal is to conserve 11,078 MWh of electricity, and 10,359 MWh for 2025. TID continues to help customers achieve energy savings through the implementation and promotion of a variety of programs that provide rebate opportunities for all rate classes to encourage customers to conserve energy. TID provides a variety of options for businesses that are looking to make changes in their existing systems by making upgrades or retrofitting their existing facility. Rebates are available that address areas such as lighting, compressed air systems, refrigeration systems, motors, gaskets, chillers and many other systems components. A significant

portion of the energy efficiency measures have been implemented by industrial and commercial customers. TID's energy efficiency programs have not had any material impact on its revenues.

Wholesale Power Marketing Activities

From time to time, TID has the opportunity to purchase power from and sell power to a number of power marketing firms, independent power producers and other electric utilities, and to enter into contracts for the forward purchase and sale of electricity. In 2021, TID joined EIM. TID is currently exploring joining CAISO's Extended Day-Ahead Market. TID anticipates that it will continue to participate in these markets in the future.

TID and MeID have entered into the MeID Power Supply Agreement, pursuant to which TID supplies all of MeID's needs except for MeID's share of the Central Valley Project marketed by Western. See the caption "TID'S ELECTRIC UTILITY SYSTEM – Purchased Power – *Other Power Purchase Agreements*" above. The MeID Power Supply Agreement between TID and MeID expires in April 2028. The volume of energy sold to MeID under the MeID Power Supply Agreement has averaged 529,248 MWh per year for the five year period from 2019 through 2023.

Risk Management for Energy Trading

TID recognizes that its wholesale market activities give rise to certain risks and has committed resources to mitigate them through the establishment of a formal Risk Management Policy. The goals of TID's Risk Management Program are to (i) manage TID's net risk position consistent with the risk tolerance of the Board; (ii) identify risks beyond that tolerance and enable actions to offset them; (iii) manage the credit risk, both from receivables and from movements in the forward market price for power and natural gas; (iv) provide the requisite information to TID management given the responsibility for oversight of power management and the risks inherent in it; and (v) allow those managers to proactively represent to the Board that appropriate diligence is being exercised regarding oversight of power supply activities.

TID worked extensively with an outside consultant to develop and establish certain Policies for Risk Management and Trading Operations (the "**Policies**") which established guidelines for monitoring and controlling exposure to market, counterparty credit, tax and other risks associated with wholesale power transactions. In addition, TID's Risk Management Committee (the "**RMC**") adopted certain Procedures for Risk Management and Trading Operations (the "**Procedures**") to implement the Policies.

The express intent of the Policies and Procedures is to prohibit actions that result in additional exposure to price volatility beyond that encountered in the prudent supply of power to retail customer accounts and Board approved wholesale sales, or the monetization of TID's resources. TID's approved scope of market participation is limited to those activities required to meet reliability standards for service to retail and other committed loads and to increase value from TID's assets, transmission and contractual power supplies. Power and fuels are to be purchased to meet projected needs of TID's electric system within limits specified in the Policies and Procedures. Power and fuels in excess of TID's needs are to be resold in a manner that is intended to provide the greatest return. TID is specifically prohibited from engaging in speculative trading activity. The Policies and Procedures collectively provide that TID only enter into transactions (including without limitation forward contracts) that are reflective of the data regarding TID's actual load/resource balance.

The credit policies of TID outlined in the Policies and Procedures require, among other things, that commodity transactions, both physical and financial, be entered into only with approved, creditworthy counterparties and that such counterparties be scored for creditworthiness employing a reputable rating methodology and grouped into multiple classes based on that score. Credit limits are designated consistent with the class, the size of the counterparty and the value of its trade with TID. Counterparties with weaker credit which TID elects to trade with, if any, are required to be fully collateralized or must prepay the transaction. The maximum allowable total credit exposure of TID to any single counterparty is $12.0 million. Aggregate credit

exposure is defined by the Policies and Procedures as the net mark-to-market plus net payables/receivables for all counterparties with which netting agreements are in place and gross mark-to-market plus receivables for all counterparties without executed netting agreements. Total credit exposure is defined as the sum of all positive credit exposures to all counterparties.

The Policies and Procedures also assign responsibility for approving or modifying trades to separate groups within the Power Supply Administration, reserving all payment and receipts for trades to TID's accounting department.

The Policies and Procedures assign the RMC with oversight responsibilities to ensure compliance with the Policies and Procedures. The RMC is chaired by the CFO/Assistant General Manager, Financial Services and includes TID's General Manager, Chief Operating Officer, Assistant General Manager, Power Supply, and Rates & Risk Department Manager as members. The responsibilities of the RMC include: (i) monitoring the market value and counterparty risk of TID's portfolio to ensure that such risks are within approved limits and being managed in a manner consistent with the Policies and Procedures; (ii) reviewing daily reports of performance against agreed upon benchmarks; (iii) reviewing associated risk management activities in conjunction with TID's monthly operating plan; (iv) recommending changes to the Policies and Procedures to the Board; (v) approval of a net position beyond the established risk limits; (vi) approval of any increase in the single party concentration limit; (vii) review of any new counterparties and approval of their interim credit limits; (viii) direction of an audit of trading and risk management practices by an external party and review the results of that audit and enforce compliance; (ix) review of the Policies and Procedures for suitability; and (x) representation to the Board of the sufficiency of TID's trading and risk infrastructure and its overall compliance with Policy and Procedures. The RMC ensures compliance with the Policies and Procedures by reviewing the Policies for adequacy, approving the Procedures, approving strategies, monitoring performance, communicating with the Board, establishing trading, position and credit limits and exceptions thereto, ensuring strategies are consistent with TID's business objectives and reviewing financial results.

Environmental Programs

TID has employees trained to respond to hazardous material spills and has adopted oil spill clean-up guidelines. Electrical transformers removed from service that contain oil with PCB concentrations of five parts-per-million or greater are disposed of pursuant to local, State, and federal regulations governing such disposal. TID has completed certain underground storage tank removal and substation remediation projects and has complied with applicable regulations and rules with respect to such projects. For example, TID has obtained closure certification from the Stanislaus County Department of Environmental Resources and the State on all of its underground storage tank removal and substation remediation projects.

Independent Balancing Authority Area Status

TID became an independent balancing authority area separate from the jurisdiction of CAISO on December 1, 2005. The grant of balancing authority area status to TID provides TID with a measure of independence; flexibility and control over power generation, transmission and sales. As an independent balancing authority area, TID is also able to sell certain ancillary services to third parties, and is relieved from certain CAISO charges.

As an independent balancing authority area, TID is responsible for generating, securing, scheduling and delivering power to the load in its balancing authority area, ensuring that power supplied to its balancing authority area is sufficient to meet demand with adequate reserves of the balancing authority area. Further, TID is required to manage and balance the flow of electricity between its balancing authority area and neighboring balancing authority areas and to operate and maintain control of the transmission facilities that interconnect these areas in accordance with North American Electric Reliability Council and WECC requirements, including by implementing certain agreed upon scheduling processes.

CAISO's Market Redesign and Technology Upgrade ("**MRTU**") program, which has been in effect since 2009, includes provisions for modeling and pricing the systems of Integrated Balancing Authority Areas, including TID's independent balancing authority area. The CAISO MRTU program encompasses a comprehensive overhaul of the CAISO's electricity markets designed to both enhance reliability and increase efficient utilization of the transmission system. Initially, TID participated in the CAISO markets through an intermediary. As of January 2011, TID began scheduling energy purchases and sales with the CAISO directly.

CAISO Western Energy Imbalance Market

In May 2019, TID signed an agreement to participate in CAISO's EIM with participation to begin in April 2021. EIM is a real-time bulk power trading market which enables participating entities to economically balance supply and demand within the market area in real-time by scheduling power deliveries every five minutes. By May of 2022, TID had recouped its initial required investment to join the EIM through EIM net benefits, and has realized nearly $23 million in net benefits through 2023. Participation in EIM has reduced its overall purchased power and fuel budget, which have been largely offset by higher natural gas prices as well as investments needed to comply with statutory targets for GHG and renewables. TID can make no assurances as to the actual impact of such participation on TID's finances.

TID'S FINANCIAL AND RELATED INFORMATION

Financial Statements

A copy of the most recent audited financial statements and compliance report of TID prepared by TID staff and audited by Moss Adams, LLP, Portland, Oregon (the "**Auditor**") are attached as APPENDIX B to the Official Statement (the "**Financial Statements**"). The Auditor's opinion letter concluded that the consolidated financial statements present fairly, in all material respects, the consolidated financial position of TID as of December 31, 2023, and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America ("**GAAP**").

The Auditor has not been engaged to perform and has not performed, since the date of the Financial Statements, any procedures on the financial statements addressed in the Financial Statements. The Auditor has not performed any procedures relating to this Official Statement.

TID maintains its accounts in accordance with GAAP accounting principles for proprietary funds as prescribed by the Governmental Accounting Standards Board ("**GASB**"). TID is accounted for as an enterprise fund and is financed and operated in a manner similar to that of a private business enterprise. TID uses the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. TID's accounting records generally follow the Uniform System of Accounts for public utilities and licensees prescribed by FERC, except as it relates to the accounting for conditions in aid of construction. See note 2 to the Financial Statements attached to the Official Statement as APPENDIX B for a discussion of accounting practices of TID.

The Board has taken various regulatory actions that result in differences between recognition of revenues and expenses for rate-making purposes which are reflected in TID's audited financial statements as regulatory assets and credits. With respect to electric rates, the regulatory credits are recognized as increases in income in future periods based on a rate program which releases rate stabilization amounts under identified circumstances. As part of TID's Fiscal Year 2022-23 budget, the Board elected to utilize funds from the electric rate stabilization regulatory account to fund certain capital projects. As a result, approximately $34.4 million was utilized to fund capital projects for the fiscal year ended December 31, 2023. See note 10 to TID's audited financial statements attached as APPENDIX B to this Official Statement.

In Fiscal Year 2021-22, TID implemented GASB Statement No. 87 (Leases), which requires the recognition of certain lease receivables and lease liabilities that were previously classified as operating leases

and recognized as inflows of resources or outflows of resources, based on the payment provisions of the contract. As a result of the implementation of GASB Statement No. 87, in its Financial Statements for fiscal year 2021-22, TID restated the consolidated statement of net position for fiscal year 2020-21 to: (i) increase investments and other long-term assets by $4.7 million; (ii) increase accounts payable and accrued expense under current liabilities by $177,000 and (iii) increase lease payable under liabilities by $4.5 million. Such restatements had no impact on the amounts in the table under the caption "—Historical Operating Results and Debt Service Coverage" below.

In May 2020, GASB issued Statement No. 96 (Subscription Based Information Technology Arrangements) ("**SBITA**"). Statement No. 96 establishes that a SBITA results in a right-to-use, intangible, subscription asset and a corresponding subscription liability, and provides capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA. TID implemented Statement No. 96 in Fiscal Year 2022-23, retroactive to the beginning of Fiscal Year 2021-22. As a result of the implementation of Statement No. 96, operating expenses for Fiscal Year 2021-22 were restated by $1.15 million. There was no change to beginning or ending net position for Fiscal Year 2021-22 as a result of such restatement.

Historical Operating Results and Debt Service Coverage

The data in the following table relating to the fiscal years ended December 31, 2019 through December 31, 2023 has been derived from TID's audited financial statements for such periods. The following table also sets forth debt service coverage ratios with respect to TID's outstanding obligations, computed in accordance with the related instruments authorizing such obligations. TID accounts for moneys received and expenses paid in accordance with GAAP. In certain cases GAAP requires or permits moneys collected in one Fiscal Year to be recognized as revenue in a subsequent Fiscal Year and requires or permits expenses paid or incurred in one Fiscal Year to be recognized in a subsequent Fiscal Year.

TURLOCK IRRIGATION DISTRICT
HISTORICAL RESULTS OF OPERATIONS AND DEBT SERVICE COVERAGE RATIOS AND CASH, CASH EQUIVALENTS AND INVESTMENTS
(THOUSANDS OF DOLLARS)

	Fiscal Year Ending December 31,				
	2023	***2022***	***2021***	***2020***	***2019***
REVENUES:					
Electric:					
Retail[1]	$ 345,970	$ 342,773	$ 289,834	$ 275,323	$ 255,266
Wholesale	90,925	120,579	78,830	47,052	54,980
Irrigation	14,224	14,711	15,138	13,213	13,314
Wholesale Gas[2]	3,423	8,888	5,237	2,005	3,600
Other	185	577	1,913	4,383	6,237
Net Investment Income	6,160	2,422	3,100	6,534	6,750
Other Income, Net	16,399	15,756	11,978	10,407	10,278
Total Operating Revenue	$ 477,286	$ 505,706	$ 406,030	$ 358,917	$ 350,425
MAINTENANCE AND OPERATION COSTS:					
Purchased Power[3]	$ 82,190	$ 107,226	$ 80,532	$ 58,027	$ 50,537
Generation and Fuel[4]	203,995	200,176	152,461	134,017	146,586
Operating Expenses[5]	87,009	92,330	72,844	71,961	71,553
Derivative Financial Instrument[6]	(922)	310	4	(837)	81
Total Operating Expenses	$ 372,272	$ 400,042	$ 305,841	$ 263,168	$ 268,757
NET REVENUES AVAILABLE FOR DEBT SERVICE	**$ 105,014**	**$ 105,664**	**$ 100,189**	**$ 95,749**	**$ 81,668**
DEBT SERVICE					
Revenue Bonds	$ -	$ -	$ -	$ -	$ 1,089
Master Resolution Obligations[7]	29,097	28,245	28,171	32,368	30,521
Total Debt Service	29,097	$ 28,245	$ 28,171	$ 32,368	$ 31,610
Debt Service Coverage–Revenue Bonds Only	N/A	N/A	N/A	N/A	74.99
Total Debt Service Coverage	3.61	3.74	3.56	2.96	2.58
ADJUSTED NET REVENUES					
Net Revenues	$ 105,014	$ 105,664	$ 100,189	$ 95,749	$ 81,668
Power Supply Adjustment[8]	18,730	(5,831)	18,813	25,935	30,235
Total Adjusted Net Revenues	$ 123,744	$ 99,833	$ 119,002	$ 121,684	$ 111,903
Total Debt Service Coverage – Adjusted Net Revenues	4.25	3.53	4.22	3.76	3.54
Cash, Cash Equivalents and Investments					
Restricted	$ 98,488	$ 95,094	$ 95,013	$ 90,834	$ 105,141
Unrestricted	$ 294,837	$ 350,499	$ 349,968	$ 323,593	$ 322,683

(1) Does not include transfers from internally maintained rate stabilization accounts of approximately $34,390 in Fiscal Year 2023, $27,757 in Fiscal Year 2022 and $9,570 in Fiscal Year 2019. Transfers in Fiscal Years 2023, 2022 and 2019 were for the purpose of capital projects.

(2) Decrease in Fiscal Year 2023 is due to a decrease in sales volume and price.

(3) Decrease in Fiscal Year 2023 is due to a greater share of TID-generated power and reduced sales volume.

(4) Includes portion of payments under Take-or-Pay contracts with WECA and TWPA allocable to WECA and TWPA debt service, which are treated as operating expenses under the Master Resolution, including WECA's Commercial Paper Program, WECA's 2010B Revenue Bonds, WECA's 2014 Revenue Bonds, WECA's 2019 Revenue Bonds, TWPA's 2009 Revenue Bonds, and TWPA's 2016 Revenue Bonds, totaling $50,357, $50,017, $46,845, $50,817, and $52,979 for the years ended December 31, 2023, 2022, 2021, 2020, and 2019, respectively.

(5) Includes other electric, irrigation and administration and general expenses; excludes depreciation and amortization.

(6) Reverses non-cash adjustment to Operating Expenses related to electricity and natural gas hedge contracts required to be marked-to-market under GASB Statement No. 53. See the caption "Contingent Payment Obligations—*Gas Price Swap and Electricity Price Option Agreements*."

(Footnotes continued on following page)

(Continued from previous page)

(7) Includes District's Master Resolution Obligations and subordinated commercial paper warrants. The District terminated the subordinated commercial paper warrants program in June 2020.

(8) Represents power supply adjustment revenues received by the District in a Fiscal Year but not recognized as revenue under GAAP.

Source: Turlock Irrigation District.

Management's Discussion and Analysis

TID management's discussion and analysis (unaudited) of the financial results for the years ended December 31, 2023 and December 31, 2022, is contained in the audited financial statements attached as APPENDIX B to this Official Statement. Such discussions and analyses should be read in conjunction with the related financial statements and accompanying notes.

Capital Requirements

TID anticipates that it will have capital requirements that will be paid from a combination of operating revenues and reserves, ranging from $101.4 million to $122.7 million per year from 2025 through 2029. These capital requirements are expected to include routine capital expenditures (such as improvements to canals, the distribution systems, capital improvements to add transformers and substations, as well as other ongoing capital expenditures that support the water and energy business units).

TID's current reserve policy (the "Reserve Policy") provides that TID shall maintain reserves at a target level between 225 and 275 days cash on hand. Over the last five Fiscal Years, TID's reserves have exceeded the forgoing target levels. TID has funded capital costs from excess reserves. Due to a deliberate approach to cash fund capital when days cash on hand was over the policy target levels, and the projected increases in capital expenditures and operating costs, TID expects the reserves to approach the target level in the Reserve Policy. As a result, TID is currently undertaking a cost-of-service analysis to determine the extent of rate increases, if any, that may be needed as a result of increasing operating and capital costs (see "TID'S ELECTRIC UTILITY SYSTEM—Rates and Charges"). The Board's decision as to the adoption of rates increases, if any, is expected to impact the amount of debt which may be incurred in the next five Fiscal Years to fund capital costs. Such debt could include a combination of long term obligations as well as the implementation of a commercial paper program.

TID anticipates making capital expenditures in 2024 through 2028, as follows:

TID ESTIMATED CAPITAL EXPENDITURES

Year	*Amount (Thousands of Dollars)*
2025	$ 101,432
2026	114,510
2027	103,040
2028	119,097
2029	122,664
Total	$ 560,743

Source: Turlock Irrigation District.

WECA and TWPA also expect to have ongoing capital programs projected to be $17.8 million in financed capital through 2029. The majority of these programs are for WECA and are expected to be financed using the WECA commercial paper program or cash funded. See "TID'S ELECTRIC UTILITY SYSTEM—TID-Owned Generating Facilities—*Wind Farm*" for a discussion on the potential sale of the Wind Farm.

Outstanding Bonds and Obligations

Master Resolution Obligations. Pursuant to Resolution No. 96-20 of the Board of Directors of TID, adopted on February 27, 1996 (as amended and supplemented, the "**Master Resolution**"), TID is authorized to issue or incur obligations payable from and secured by Available Revenues and other funds and amounts provided for under the Master Resolution ("**Master Resolution Obligations**"). Available Revenues" is generally defined in the Master Resolution to mean Revenues less amounts required to be deposited in the Maintenance and Operation Costs Account, as defined in the Senior Resolution. The Master Resolution Obligations are subordinate in right of payment prior to the payment of deposits into the Maintenance and Operation Costs Account for the payment of Maintenance and Operation Costs (as such term is defined in the Master Resolution), which includes payments under its agreements with WECA, TWPA, NCPA and TANC. As of [January 2, 2025,] TID had outstanding $[330,070,000] principal amount of Master Resolution Obligations. See note 8 to TID's audited financial statements as of and for the year ended December 31, 2023 attached as APPENDIX B hereto for information with respect to the Master Resolution Obligations.

Take-or-Pay Obligations. TID has entered into contracts for the purchase of energy and transmission, and certain other agreements, which involve the payment of costs of several projects in which it is participating, including agreements with four joint powers agencies of which it is, or was, a member: WECA, TWPA, NCPA and TANC. The Master Resolution does not restrict the ability of TID to enter into take-or-pay contracts or other similar arrangements, payable as part of Maintenance and Operation Costs, for the purchase of power generated by new or existing generating facilities from third parties or for transmission capacity, including contracts that pay and secure the payment of revenue bonds or other obligations issued by such third parties to finance the costs of such generating facilities (collectively, the "**Take-or-Pay Obligations**"). TID may also enter into additional joint powers agreements in the future. See notes 8 and 9 to TID's audited financial statements as of and for the year ended December 31, 2023 attached as APPENDIX B hereto for information with respect to the TID's Take-or-Pay Obligations.

TID's obligations under the power purchase agreements with WECA, TANC, NCPA and TWPA constitute a portion of the Maintenance and Operation Costs of TID payable prior to any of TID's Master Resolution Obligations. Each of WECA, TANC, NCPA and TWPA have from time to time issued indebtedness to finance the costs of certain projects on behalf of their respective project participants. Each of these joint powers agencies is authorized to issue additional bonds and therefore TID's future aggregate responsibility for debt service with respect to the WECA, TANC, NCPA and TWPA may increase if TID participates in such expenditures. Agreements with the joint powers agencies in which TID participates are on a "take-or-pay" basis, which requires payments to be made whether or not projects are completed or operable, or whether output from such projects is suspended, interrupted or terminated. The Take-or-Pay Obligations with TANC and NCPA contain "step-up" provisions obligating TID to pay a share of the obligations of a defaulting participant. TID's maximum step-up under those agreements is 25% of TID's obligations to TANC and NCPA. See "TID's FINANCIAL AND RELATED INFORMATION—Contingent Payment Obligations—Joint Powers Agencies" below. TID's participation and share of debt service obligation (without giving effect to any "step up" provisions) for each of the joint powers agency projects in which it currently participates are shown on the table below.

DEBT OF JOINT POWERS AGENCIES
as of [January 2, 2025]
(Millions of Dollars)

	JPA Outstanding Debt	*TID Participation*	*TID's Share of Outstanding Debt*
TANC			
Bonds	$159.60	17.40%[(1)]	$27.77
Short-Term Notes[(2)]		17.40%[(1)]	
TWPA[(3)]			
Bonds	213.51	100.00%	213.51
WECA[(4)]			
Bonds	132.30	100.00%	132.30
Commercial Paper Notes[(5)]	23.60	100.00%	23.60
TOTAL	$		$

(1) TID has acquired an additional scheduling rights pursuant to certain lay off agreements, in exchange for which TID agreed to pay the portion of COTP costs associated with such scheduling rights, effectively increasing TID's participation to 17.4%. TID's actual obligation for debt service differs slightly from the participation percentage due the varying shares of each TANC member-participant with respect to prior bond issues refunded by the outstanding TANC bonds and the portion of bonds allocable to South of Tesla transmission. See "—Transmission and Distribution – *Transmission Agency of Northern California-California-Oregon Transmission Project*" above.

(2) In August 2024, TANC authorized the issuance pursuant to a credit agreement of up to $120.0 million of variable rate TANC short-term notes to be outstanding at any time. Any TANC short-term notes issued will mature in September 2025, unless the commitment of the lender under the TANC credit agreement is extended in accordance with its terms. It is expected that TANC will refinance any TANC short-term notes issued pursuant to the TANC credit agreement from the proceeds of TANC bonds on or before their maturity date.

(3) Although TWPA is a separate legal entity from TID, its operations are consolidated into TID's audited financial statements because of the extent of its operational and financial relationship with TID.

(4) Although WECA is a separate legal entity from TID, its operations are consolidated into TID's audited financial statements because of the extent of its operational and financial relationship with TID.

Source: Turlock Irrigation District.

Generally, TID has entered into power purchase agreements solely or primarily for use within its own system. However, from time to time TID has entered into purchases for resale that have resulted in additional net revenues. The purchases for resale have not involved significant payments, nor have they been for significant amounts of power or periods of time. TID currently does not expect to significantly increase the amount, frequency or duration of any such purchases for resale, although it has the authority to do so. TID may enter into other power purchase agreements, the obligations under which constitute Maintenance and Operation Costs of TID.

Contingent Payment Obligations

TID has entered into, and may in the future enter into, contracts and agreements in the course of its business that include an obligation on the part of TID to make payments or post collateral contingent upon the occurrence or nonoccurrence of certain future events, including events that are beyond the direct control of TID. The amount of any such contingent payments may be substantial.

Gas Price Swap and Electricity Price Option Agreements. TID uses forward contracts to hedge the impact of market volatility on gas and energy commodity prices. TID is exposed to risk of nonperformance if the counterparties default or if the agreements are terminated. Such agreements are treated as derivative financial instruments in TID's audited financial statements. Expenses under the price swap and option agreements are reported net of the payments received, as a component of generation and fuel expense for fuel-related contracts and as purchased power expense for electricity contracts, in the period in which the underlying power delivery occurs. TID records derivative financial instruments, including its gas price swap and electricity option

agreements, at fair value on its balance sheet with the corresponding entry recorded in the statements of revenues, expenses and changes in net position. While TID does not enter into agreements for trading purposes, it does not designate the contracts as hedging activities for financial reporting purposes. The changes in gas swap agreements market valuations are recorded in generation and fuel expense, and changes in electricity price option agreement market valuations are recorded in purchased power expense.

Letter of Credit Agreement. WECA maintains a letter of credit with a stated amount of $43,600,000 to support $40,000,000 of the commercial paper notes issued by WECA. The letter of credit is issued by a national bank and is scheduled to expire in August 2025. The principal portion of any unreimbursed advances under such letter of credit must be paid in five equal semiannual installments on the first business day of each January and July, commencing on the January or July which is at least six months after the date such advance, and in any event no later than the third anniversary of the expiration of the letter of credit. Advances under the WECA letter of credit bear interest at certain interest rates based on the time such advance is outstanding, and at a default rate in the event of default thereunder. TID is responsible for all contingent payment obligations arising in relation to the letter of credit pursuant to its agreements with WECA, which TID are payable as Maintenance and Operation Costs of TID. The payment obligations of such letter of credit can be accelerated under certain circumstances, including upon an event of default.

Liquidity

As discussed above, TID's Reserve Policy provides that TID shall maintain reserves at a target level between 225 and 275 days cash. TID maintains significant liquidity. The following table summarizes the unrestricted balances of cash, cash equivalents and investments of TID as of the fiscal years ended December 31, 2023 and 2022:

TID LIQUIDITY
(Thousands of Dollars)

	2023	***2022***
General Operating Funds		
Operating Accounts	$146,439	$167,711
Funds Designated for Rate Stabilization	140,607	174,997
Funds designated for capital improvements	7,791	7,791
Totals	$294,837	$350,499

Source: Turlock Irrigation District

Investment Policies

In 1991, the Board adopted a formal policy governing the investment of all funds belonging to or under the control of TID (as it has been amended from time to time, the "Investment Policy"). TID funds are invested under the direction of its Treasurer or an investment advisor, pursuant to the guidelines of the Investment Policy, described below. The Investment Policy of TID is subject to change by the Board. The Investment Policy was most recently amended on November 20, 2018, by the Board to incorporate the requirements under California Government Code Section 8855(i) with respect to TID's use of debt proceeds and certain other matters.

Responsibility for the investment program is delegated to the Treasurer of TID. The Investment Policy prohibits any person from engaging in an investment transaction except as provided under the limits of the Investment Policy. TID may delegate its investment decision making and execution authority to an investment advisor obligated to follow the policy and such other written instructions as are provided. Officers and employees involved in the investment process are required to refrain from personal business activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial decisions.

The primary objectives, in priority order, of TID's investment activities are:

1) Safety. Safety of principal is the foremost objective of the investment program. TID's investments are required to be undertaken in a manner that seeks to ensure preservation of capital in the portfolio.

2) Liquidity. TID's investment portfolio is required to remain sufficiently liquid to enable TID to meet its cash flow requirements.

3) Return On Investment. TID's investment portfolio is required to be designed with the objective of attaining a market rate of return on its investments consistent with the constraints imposed by its safety objective and cash flow considerations.

Investment maturities are required to be based on a review of cash flow forecasts. Maturities are required to be scheduled so as to permit TID to meet all projected obligations. For additional information regarding TID's investments, see "APPENDIX B—AUDITED FINANCIAL STATEMENTS OF TURLOCK IRRIGATION DISTRICT AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023—Notes to Consolidated Financial Statements, Note 6 – Cash, Cash Equivalents and Investments."

TID does not invest in highly volatile securities nor does it engage in the practice of borrowing for the purpose of investment.

Insurance Coverage

Substantially all of TID's assets are insured against possible losses from fire and other risks. TID carries insurance coverage to cover general liability claims in excess of $1.0 million per occurrence up to $35.0 million and workers' compensation claims in excess of $750,000 per occurrence. TID records liabilities for unpaid claims when they are probable of occurrence and the amount can be reasonably estimated.

TID purchases its excess workers' compensation insurance from the California State Association of Counties ("**CSAC**") Excess Insurance Authority. The risk of loss in excess of $750,000 per occurrence is transferred to the insurance pool.

At December 31, 2023 and 2022, TID's estimated self-insurance liability for its worker's compensation claims totaled $2.1 million and $3.0 million, respectively, and is reported as a component of accounts payable and accrued expenses in the consolidated balance sheets.

TID is a member of CSAC's Excess Insurance Authority Health program, which administers TID's self-insurance for employee health. CSAC's purpose is to pool the risk of its members to develop and fund programs of excess insurance for its members. Members fund the program through annual premiums developed by the CSAC Board with assistance from actuary and risk management consultants. Should actual losses among pool participants be greater than funds for the program, TID would be assessed its pro-rata share of the deficiency. No such losses have occurred and no additional liability has been accrued by TID.

See note 2 to the Financial Statements attached to the Official Statement as Appendix B for a discussion of TID's insurance coverage.

Wildfire Mitigation Measures

The District has prepared a Wildfire Mitigation Plan in accordance with the requirements of State law. The District's goals as set forth in the Wildfire Mitigation Plan are to minimize the probability that the District's transmission and distribution system may be the origin, or a contributing source, for the ignition of a fire, to improve the resiliency of the District's electric grid to reduce the likelihood of service interruption, and to minimize ineffective wildfire mitigation tactics. Practices and procedures provided for in the Wildfire Mitigation

Plan comply with standards and requirements set by the Department of Forestry and Fire Protection of the State of California ("**CalFire**") and CPUC. Such practices include, but are not limited to, (1) using equipment that will not allow flammable energy to contact vegetation and monitoring and maintaining clearance of vegetation within a certain vicinity of equipment; (2) communication with property owners on their obligations to clear vegetation around low voltage wires, and (3) modification and/or replacement of equipment that CalFire deems less likely to be the source of fire ignition. The Wildfire Mitigation Plan has been finalized and was approved by the Board in 2019 and is expected to be reviewed and updated on an annual basis. In 2020, a third party review was conducted of the plan, results were presented to the Board, and the final document was submitted to the wildfire advisory board. Subsequently the Wildfire Mitigation Plan has been updated annually and submitted to wildfire advisory board.

LITIGATION

General

There is no action, suit or proceeding known to be pending or, to TID's knowledge, threatened, in any way contesting or affecting the validity or enforceability of the Commodity Supply Contract or any proceedings of TID taken with respect thereto.

TID is a party to various claims, legal actions and complaints, including possible liability for environmental matters, in the normal course of business. Although the ultimate outcome of these matters is not presently determinable, TID expects that the resolution of all such pending matters will not have a material adverse effect on TID's financial position, results of operations or liquidity.

APPENDIX B

AUDITED FINANCIAL STATEMENTS OF TURLOCK IRRIGATION DISTRICT FOR FISCAL YEARS ENDED DECEMBER 31, 2023 AND 2022, INCLUDING THE AUDITOR'S REPORT ON INTERNAL CONTROL

APPENDIX C

DEFINITIONS OF CERTAIN TERMS

[TO COME FROM BOND COUNSEL]

APPENDIX D

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

[TO COME FROM BOND COUNSEL]

APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

At the time of issuance of the Bonds, there will be executed and delivered a Continuing Disclosure Agreement in substantially the following form:

This Continuing Disclosure Agreement (the "Disclosure Agreement") is executed by and among the Central Valley Energy Authority (the "Authority"), Turlock Irrigation District (the "District"), and Willdan Financial Services, as Dissemination Agent (as defined below), in connection with the issuance of $_____ aggregate principal amount of Central Valley Energy Authority Commodity Supply Revenue Bonds, Series 2025 (the "2025 Bonds") pursuant to a Trust Indenture, dated as of January 1, 2025 (the "Indenture"), between the Authority and U.S. Bank Trust Company, National Association, as Trustee. The Authority covenants and agrees as follows:

SECTION 1. Purpose of Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Authority, the District and the Dissemination Agent for the benefit of the Holders and Beneficial Owners of the 2025 Bonds and in order to assist the Participating Underwriters of the 2025 Bonds in complying with the Rule (as defined below). The Authority represents that it will be the only "obligated person" within the meaning of the Rule with respect to the 2025 Bonds at the time the 2025 Bonds are delivered to the Participating Underwriter and that no other person is expected to become so committed at any time after the issuance of the 2025 Bonds. The District is entering into this Disclosure Agreement in order to assist and enable the Authority to comply with its undertakings hereunder.

SECTION 2. Definitions. In addition to the definitions set forth above and in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Authority or the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"Beneficial Owner" shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any 2025 Bonds (including, without limitation, persons holding 2025 Bonds through nominees, depositories or other intermediaries).

"Commodity Purchase Agreement" shall mean the Prepaid Commodity Sales Agreement between the Authority and the Commodity Supplier.

"Commodity Supplier" means Aron Energy Prepay [48] LLC, a Delaware limited liability company.

"Disclosure Representative" shall mean (i) with respect to the District, the Chief Financial Officer/Assistant General Manager, Financial Services, of the District or his or her designee, or such other officer or employee as the District shall designate from time to time, and (ii) with respect to the Authority, the Treasurer of the Authority or his or her designee, or such other officer or employee as the Authority shall designate from time to time.

"Dissemination Agent" shall mean Willdan Financial Services, acting in its capacity as Dissemination Agent under this Disclosure Agreement, or any successor Dissemination Agent designated in writing by the District.

"Financial Obligation" shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Holder" shall mean the person in whose name any 2025 Bond shall be registered.

"Ledger Event" has the meaning assigned to such term in Exhibit C to the Commodity Purchase Agreement.

"Listed Event" shall mean any of the events listed in Section 5(a) or (b) of this Disclosure Agreement.

"Monthly Ledger Report" shall mean the copies of the ledgers maintained by the Commodity Supplier pursuant to Exhibit C of the Commodity Purchase Agreement and delivered each month to the Authority or the District pursuant to Section 9(b) of such Exhibit.

"MSRB" shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at *http://emma.msrb.org*.

"Non-Private Business Sales Ledger" and "Private Business Sales Ledger" have the meanings assigned to such terms in Exhibit C to the Commodity Purchase Agreement.

"Official Statement" shall mean the Official Statement, dated ____, 2025, relating to the 2025 Bonds.

"Participating Underwriter" shall mean any of the original underwriters of the 2025 Bonds required to comply with the Rule in connection with the offering of the 2025 Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than 210 days after the end of each fiscal year of the District (which presently ends on December 31), commencing with the report for the [2024] fiscal year, provide to the MSRB an Annual Report prepared by, or on behalf of, the District which is consistent with the requirements of this Disclosure Agreement applicable to the District. The Authority shall, or shall cause the Dissemination Agent to, not later than 210 days after the end of each fiscal year of the Authority (which presently ends on December 31), commencing with the report for the 2025 fiscal year, provide to the MSRB an Annual Report prepared by, or on behalf of, the Authority which is consistent with the requirements of this Disclosure Agreement applicable to the Authority. The Annual Report must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB, and may cross-reference other information as provided in this Disclosure Agreement; provided that the audited financial statements of the District or the Authority may be submitted separately from the balance of the Annual Report and later than the date described above for the filing of the Annual Report if they are not available by that date. If the District's or the Authority's fiscal year changes, such party shall give notice of such change in the same manner as for a Listed Event as described below. The District shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by it hereunder. The Authority shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by it hereunder. The Dissemination Agent may conclusively rely upon such certifications and shall have no duty or obligation to review such Annual Reports.

(b) Not later than fifteen (15) Business Days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the Authority and the District shall provide its respective Annual Report and written certification to the Dissemination Agent. If by such date, the Dissemination Agent has not received a copy of an Annual Report, the Dissemination Agent shall contact the applicable disclosing party to determine if such party is in compliance with this requirement.

(c) If the Dissemination Agent has not received a certification from the District and/or the Authority that the Annual Reports have been provided to the MSRB by the date described in subsection (a), the Dissemination Agent shall send a notice to the MSRB in substantially the form attached as Exhibit A to this Disclosure Agreement.

(d) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the then-current procedures for submitting Annual Reports to the MSRB; and

(ii) if the Annual Report has been provided by the District or the Authority, as applicable, for filing, file a report with the applicable party certifying that the Annual Report has been provided to the MSRB pursuant to this Disclosure Agreement and stating the date it was provided.

SECTION 4. Content of Annual Reports. The District's Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the District for the most recently completed fiscal year, prepared in accordance with generally accepted accounting principles for governmental enterprises as prescribed from time to time by any regulatory body with jurisdiction over the District and by the Governmental Accounting Standards Board, and as further modified according to applicable State law. If the District's or audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the audited financial statements, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) To the extent not included in the audited financial statements of the District, the Annual Report shall also include the following:

(i) A summary of customers, energy sales, revenues and peak demand of the District in tabular form for the most recently completed fiscal year.

Any or all of the items listed above may be set forth in one or a set of documents or may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which have been made available to the public on the MSRB's website. The District shall clearly identify each such other document so included by reference.

(c) The Authority's Annual Report shall contain or include by reference: (i) audited financial statements of the Authority for the most recently completed fiscal year, prepared in accordance with generally accepted accounting principles for governmental enterprises as prescribed from time to time by any regulatory body with jurisdiction over the Authority and by the Governmental Accounting Standards Board, and as further modified according to applicable State law. If the Authority's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the audited financial statements, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(d) Information contained in an Annual Report for any fiscal year containing any modified operating data or financial information for such fiscal year shall explain, in narrative form, the reasons for such modification and the effect of such modification on the Annual Report being provided for such fiscal year. If a change in accounting principles is included in any such modification, such Annual Report shall present a comparison between the financial statements or information prepared on the basis of modified accounting principles and those prepared on the basis of former accounting principles.

SECTION 5. Reporting of Listed Events.

(a) The Authority or the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the 2025 Bonds in a timely manner not later than ten business days after the occurrence of the event:

(i) Principal and interest payment delinquencies;

(ii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iii) Unscheduled draws on credit enhancements reflecting financial difficulties;

(iv) Substitution of credit or liquidity providers, or their failure to perform;

(v) Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB);

(vi) Tender offers;

(vii) Defeasances;

(viii) Rating changes;

(ix) Bankruptcy, insolvency, receivership or similar event of the Authority; or

(x) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Authority, any of which reflect financial difficulties.

For the purposes of the event identified in subparagraph (ix), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Authority in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under State or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Authority, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Authority.

(b) The Authority or the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the 2025 Bonds, if material, in a timely manner not later than ten business days after the occurrence of the event:

(i) Unless described in paragraph 5(a)(v), other material notices or determinations by the Internal Revenue Service with respect to the tax status of the 2025 Bonds or other material events affecting the tax status of the 2025 Bonds;

(ii) Modifications to rights of Holders;

(iii) Optional, unscheduled or contingent bond calls;

(iv) Release, substitution, or sale of property securing repayment of the 2025 Bonds;

(v) Non-payment related defaults;

(vi) The consummation of a merger, consolidation, or acquisition involving the Authority or the sale of all or substantially all of the assets of the Authority, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;

(vii) Appointment of a successor or additional trustee or the change of name of a trustee; or

(viii) Incurrence of a Financial Obligation of the Authority or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Authority, any of which affect 2025 Bond Holders.

(c) Whenever the Authority or the District obtains knowledge of the occurrence of a Listed Event described in subsection 5(b), the Authority or the District, as applicable, shall determine as soon as possible whether such event would be material under applicable federal securities laws.

(d) Whenever the Authority or the District obtains knowledge of the occurrence of a Listed Event described in subsection (a), or the Authority or the District determines that the occurrence of a Listed Event described in subsection (b) is material under applicable federal securities laws, the Authority or the District shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (g).

(e) If in response to a request under subsection (c), the Authority or the District determines that the Listed Event would not be material under applicable federal securities laws, such party shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (g).

(f) If the Dissemination Agent has been instructed by the Authority or the District to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice, prepared by the Authority or the District, as applicable, of such occurrence with the MSRB within ten business days of such occurrence. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(vii) and (b)(iii) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected 2025 Bonds pursuant to the Indenture, and for any other Listed Event, notice need not be given any earlier than the occurrence thereof.

(g) The notice of Listed Event must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB.

SECTION 6. Provision of Certain Notices Relating to Monthly Ledger Reports. The Authority or the District further agree to file, or cause to be filed, a notice, prepared by the Authority or the District, with the MSRB of the occurrence of either of the following in a timely manner not later than ten business days after the occurrence thereof:

(a) the receipt by the Authority or the District of a Monthly Ledger Report that includes a credit to any Non-Private Business Sales Ledger or any Private Business Sales Ledger that has not been reversed within twelve months of the date of such credit; or

(b) the receipt by the Authority or the District of a Monthly Ledger Report that shows that a Ledger Event has occurred.

SECTION 7. Termination of Reporting Obligation. The obligations of the Authority, the District and the Dissemination Agent under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the 2025 Bonds, or upon delivery to the District, the Authority or the Dissemination Agent (if other than the District) of an opinion of nationally recognized bond counsel to the effect that such continuing disclosure is no longer required. If such termination occurs prior to the final maturity of the 2025 Bonds, the Authority or the District shall give notice of such termination in a filing with the MSRB.

SECTION 8. Dissemination Agent. The Authority or the District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The

Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Authority or the District pursuant to this Disclosure Agreement. The initial Dissemination Agent shall be Willdan Financial Services. The Dissemination Agent may resign by providing thirty days written notice to the Authority and the District. It is understood and agreed that any information that the Dissemination Agent may be instructed to file with the MSRB, shall be prepared and provided to it by the District or the Authority. The Dissemination Agent has undertaken no responsibility with respect to any reports, notices or disclosures provided to it under this Disclosure Agreement, and has no liability to any person, including any Holder or Beneficial Owner, with respect to any such reports, notices or disclosures. The fact that the Dissemination Agent or any affiliate thereof may have any fiduciary or banking relationship with the District or the Authority shall not be construed to mean that the Dissemination Agent has actual knowledge of any event or condition except as may be provided by written notice from the District or the Authority.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Authority, the District, and the Dissemination Agent may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived; provided further, that in the opinion of nationally recognized bond counsel satisfactory to the Authority and the District, such amendment or waiver is permitted by the Rule.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Authority and the District shall describe such amendment in the next respective Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Authority or the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Authority or the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Authority or the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, such party shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. Default. In the event of a failure of the Authority, the District or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders or Beneficial Owners of at least 25% aggregate principal amount of Outstanding 2025 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Authority, the District or Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture, or any related agreement, and the sole remedy under this Disclosure Agreement in the event of any failure of the Authority, the District or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance hereunder; provided, however, that any such action may be instituted only in the Superior Court of the State of California in and for the County of Stanislaus or in the U.S. District Court in or nearest to such County.

SECTION 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and

duties under this Disclosure Agreement, including the costs and expenses (including attorney's fees and expenses) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the District described in this Section shall survive resignation or removal of the Dissemination Agent and payment of the 2025 Bonds. The Dissemination Agent shall be paid compensation by the District for its services provided hereunder in accordance with its schedule of fees as amended from time to time and all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. Any company succeeding to all or substantially all of the Dissemination Agent's corporate trust business shall be the successor to the Dissemination Agent hereunder without the execution or filing of any paper or any further act.

SECTION 13. Governing Law. The effect and meaning of this Disclosure Agreement and the rights of all parties hereunder shall be governed by, and construed according to, the laws of the State of California.

[Remainder of page intentionally left blank.]

SECTION 14. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Authority, the District, the Participating Underwriters and the Holders from time to time of the 2025 Bonds, and shall create no rights in any other person or entity.

Dated: _____, 2025.

CENTRAL VALLEY ENERGY AUTHORITY

By: _____
Treasurer

TURLOCK IRRIGATION DISTRICT

By: _____
Chief Financial Officer/Assistant General Manager,
Financial Services

WILLDAN FINANCIAL SERVICES, as Dissemination Agent

By: _____

Title: _____

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: CENTRAL VALLEY ENERGY AUTHORITY

Name of Bond Issue: COMMODITY SUPPLY REVENUE BONDS, SERIES 2025

Date of Issuance: ____, 2025

NOTICE IS HEREBY GIVEN that the [Central Valley Energy Authority (the "Authority")/Turlock Irrigation District (the "District")] has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement executed and delivered by the Authority with respect to the above-named Bonds. The [Authority/District] anticipates that the Annual Report will be filed by _____.

Dated: _____.

CENTRAL VALLEY ENERGY AUTHORITY

By: _____
Treasurer

APPENDIX F

PROPOSED FORM OF OPINION OF BOND COUNSEL

On the date of delivery of the Bonds, Bond Counsel will deliver an opinion for the Bonds, which will be substantially in the following form:

Central Valley Energy Authority
Turlock, California

Central Valley Energy Authority
Commodity Supply Revenue Bonds, Series 2025

Ladies and Gentlemen:

We have acted as bond counsel to the Central Valley Energy Authority (the "Authority") in connection with issuance of $_____ aggregate principal amount of Central Valley Energy Authority Commodity Supply Revenue Bonds, Series 2025 (the "Bonds"), issued pursuant to a Trust Indenture, dated as of January 1, 2025 (the "Indenture"), between the Authority and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Indenture.

In connection with our representation we have examined a certified copy of the proceedings relating to the Bonds. As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigations.

Based upon the foregoing and after examination of such questions of law as we have deemed relevant in the circumstances, but subject to the limitations set forth herein, we are of the opinion that:

1. The Indenture has been duly authorized, executed and delivered by the Authority, and, assuming due authorization, execution and delivery by the Trustee, the Bonds and the Indenture are valid and binding obligations of the Authority enforceable against the Authority in accordance with their respective terms. The Indenture creates a valid pledge, to secure the payment of the principal of and interest on the Bonds, of the Trust Estate, subject to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture.

2. The obligation of the Authority to make the payments of principal and interest on the Bonds from the Trust Estate is an enforceable obligation of the Authority and does not constitute an indebtedness of the Authority in contravention of any constitutional or statutory debt limit or restriction.

3. Under existing statutes, regulations, rulings and judicial decisions, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals; however, with respect to applicable corporations as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended (the "Code"), interest (and original issue discount) with respect to the Bonds might be taken into account in determining adjusted financial statement income for purposes of computing the alternative minimum tax imposed on such corporations.

4. Interest on the Bonds is exempt from State of California personal income tax.

5. The difference between the issue price of a Bond (the first price at which a substantial amount of the Bonds of a maturity are to be sold to the public) and the stated redemption price at maturity with respect to such Bond constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to a Bond Owner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by a Bond Owner will increase the Bond Owner's basis in the applicable Bond.

6. The amount by which a Bond Owner's original basis for determining loss on sale or exchange in the applicable Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable Bond premium, which must be amortized under Section 171 of the Code; such amortizable Bond premium reduces the Bond Owner's basis in the applicable Bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of Bond premium may result in a Bond Owner realizing a taxable gain when a Bond is sold by the holder for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the Bond Owner.

The opinions expressed herein as to the exclusion from gross income of interest on the Bonds are based upon certain representations of fact and certifications made by the Authority, the Turlock Irrigation District (the "District") and others and are subject to the condition that the Authority and the District comply with all requirements of the Code that must be satisfied subsequent to issuance of the Bonds to assure that interest on the Bonds will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The Authority and the District have covenanted to comply with all such requirements.

The opinions expressed herein may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. The Indenture and the Tax Certificate relating to the Bonds permit certain actions to be taken or to be omitted if a favorable opinion of Bond Counsel is provided with respect thereto. No opinion is expressed herein as to the effect on the exclusion from gross income of interest (and original issue discount) for federal income tax purposes with respect to the Bonds if any such action is taken or omitted based upon the opinion or advice of counsel other than ourselves. Other than expressly stated herein, we express no other opinion regarding tax consequences with respect to the Bonds.

The opinions expressed herein are based upon our analysis and interpretation of existing laws, regulations, rulings and judicial decisions and cover certain matters not directly addressed by such authorities. We have assumed compliance with all covenants and agreements contained in the Trust Indenture, the Commodity Purchase Agreement, the Commodity Supply Contract, the Issuer Commodity Swap, the Commodity Supplier Commodity Swap and the Tax Certificate.

The opinions expressed herein are based upon our analysis and interpretation of existing laws, regulations, rulings and judicial decisions and cover certain matters not directly addressed by such authorities. We call attention to the fact that the rights and obligations under the Indenture, the Commodity Purchase Agreement, the Commodity Supply Contract, the Issuer Commodity Swap, the Commodity Supplier Commodity Swap and the Bonds are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and similar laws affecting creditors' rights, to the application of equitable principles if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State of California.

By delivering this opinion, we are not expressing any opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the Bonds, the Indenture, the Commodity Purchase Agreement,

the Commodity Supply Contract, the Issuer Commodity Swap, the Commodity Supplier Commodity Swap, nor are we expressing any opinion with respect to the state or quality of title to or interest in any assets described in or as subject to the lien of the Indenture or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on any assets thereunder.

Our opinion is limited to matters governed by the laws of the State of California and federal law. We assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction.

We express no opinion herein as to the accuracy, completeness or sufficiency of the Official Statement relating to the Bonds or other offering material relating to the Bonds and expressly disclaim any duty to advise the owners of the Bonds with respect to matters contained in the Official Statement.

Respectfully submitted,

APPENDIX G

BOOK-ENTRY SYSTEM

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any maturity of the Bonds exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount and an additional certificate will be issued with respect to any remaining principal amount of such maturity.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership.

DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the issuer of securities as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts such Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and payments of principal and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from CVEA or the Trustee on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, CVEA or the Trustee, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of CVEA or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to CVEA or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

CVEA may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates are required to be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that CVEA believes to be reliable, but CVEA takes no responsibility for the accuracy thereof.

APPENDIX H

REDEMPTION PRICE OF THE BONDS

The following table sets forth the Redemption Price of the Bonds (being Amortized Value of the Bonds, but excluding accrued interest) upon an extraordinary mandatory redemption following an early termination of the Commodity Purchase Agreement, as of the redemption dates shown below during the Initial Interest Rate Period.

Redemption Date	***Redemption Price[(1)]***	***Redemption Date***	***Redemption Price[(1)]***

(1) Amortized Value of the Bonds as of each Redemption Date.

APPENDIX I

SCHEDULE OF TERMINATION PAYMENTS

The following table sets forth the Schedule of Termination Payments under the Commodity Purchase Agreement as of the specified Early Termination Payment Dates during the Initial Interest Rate Period. The Early Termination Payment Date is the Business Day preceding the Date listed below.

Date	*Termination Payment*	*Date*	*Termination Payment*

APPENDIX J

PACIFIC LIFE INSURANCE COMPANY

Offering Insurance since 1868, Pacific Life Insurance Company ("Pacific Life") provides a wide range of life insurance and annuities, and offers a variety of investment products and services to individuals, businesses, and pension plans. As of the date of this Official Statement, Pacific Life counts more than half of the 100 largest U.S. companies as its clients.

Pacific Life is a stock life insurance company domiciled and licensed under the laws of the State of Nebraska and is subject to regulation by the Nebraska Department of Insurance ("NE DOI"). Pacific Life is also subject to the regulations of the other states in which it is authorized to transact insurance business. Pacific Life insurance products are issued in all states except New York.

Pacific Life is a direct wholly owned subsidiary of Pacific LifeCorp ("PLC"), an intermediate Delaware stock holding company, which is a direct wholly owned subsidiary of Pacific Mutual Holding Company ("PMHC"), a Nebraska mutual holding company.

Pacific Life prepares its statutory financial statements in accordance with statutory accounting practices prescribed or permitted by the NE DOI. The National Association of Insurance Commissioners' Accounting Practices and Procedures Manual ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by the NE DOI. Prescribed statutory accounting practices include state laws and regulations. Additionally, the Director of the NE DOI has the right to permit other specific practices, which deviate from prescribed practices. NAIC SAP differs in certain respects from the accounting principles of U.S. GAAP.

As of the date of this Official Statement, Pacific Life's current statutory financial annual statements can be found at:

https://www.pacificlife.com/content/dam/paclife/crp/public/financials/statutory-statements/PLIC_2023_Annual_Statement.pdf.

As of the date of this Official Statement the Financial Strength Rating and Outlook of Pacific Life is "AA-" (stable) by S&P Global Ratings, "Aa3" (stable) by Moody's Investor Service, "AA-" (stable) by Fitch Ratings (stable) and "A+" (stable) by A.M. Best Company, Inc.

None of Pacific Life, PLC or PMHC take any responsibility nor have any liability for any of the information contained in this Official Statement other than the information set forth in this Appendix J to the Official Statement. Under no circumstances or in any capacity is Pacific Life, PLC or PMHC liable or obligated to pay any amounts owed or due to any individual or entity with respect to the Bonds.

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Disclosure Agreement") is executed by and among the Central Valley Energy Authority (the "Authority"), Turlock Irrigation District (the "District"), and Willdan Financial Services, as Dissemination Agent (as defined below), in connection with the issuance of $_____ aggregate principal amount of Central Valley Energy Authority Commodity Supply Revenue Bonds, Series 2025 (the "2025 Bonds") pursuant to a Trust Indenture, dated as of January 1, 2025 (the "Indenture"), between the Authority and U.S. Bank Trust Company, National Association, as Trustee. The Authority covenants and agrees as follows:

SECTION 1. Purpose of Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Authority, the District and the Dissemination Agent for the benefit of the Holders and Beneficial Owners of the 2025 Bonds and in order to assist the Participating Underwriters of the 2025 Bonds in complying with the Rule (as defined below). The Authority represents that it will be the only "obligated person" within the meaning of the Rule with respect to the 2025 Bonds at the time the 2025 Bonds are delivered to the Participating Underwriter and that no other person is expected to become so committed at any time after the issuance of the 2025 Bonds. The District is entering into this Disclosure Agreement in order to assist and enable the Authority to comply with its undertakings hereunder.

SECTION 2. Definitions. In addition to the definitions set forth above and in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Authority or the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"Beneficial Owner" shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any 2025 Bonds (including, without limitation, persons holding 2025 Bonds through nominees, depositories or other intermediaries).

"Commodity Purchase Agreement" shall mean the Prepaid Commodity Sales Agreement between the Authority and the Commodity Supplier.

"Commodity Supplier" means Aron Energy Prepay [48] LLC, a Delaware limited liability company.

"Disclosure Representative" shall mean (i) with respect to the District, the Chief Financial Officer/Assistant General Manager, Financial Services, of the District or his or her designee, or such other officer or employee as the District shall designate from time to time, and (ii) with respect to the Authority, the Treasurer of the Authority or his or her designee, or such other officer or employee as the Authority shall designate from time to time.

"Dissemination Agent" shall mean Willdan Financial Services, acting in its capacity as Dissemination Agent under this Disclosure Agreement, or any successor Dissemination Agent designated in writing by the District.

"Financial Obligation" shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt

obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Holder" shall mean the person in whose name any 2025 Bond shall be registered.

"Ledger Event" has the meaning assigned to such term in Exhibit C to the Commodity Purchase Agreement.

"Listed Event" shall mean any of the events listed in Section 5(a) or (b) of this Disclosure Agreement.

"Monthly Ledger Report" shall mean the copies of the ledgers maintained by the Commodity Supplier pursuant to Exhibit C of the Commodity Purchase Agreement and delivered each month to the Authority or the District pursuant to Section 9(b) of such Exhibit.

"MSRB" shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at *http://emma.msrb.org*.

"Non-Private Business Sales Ledger" and "Private Business Sales Ledger" have the meanings assigned to such terms in Exhibit C to the Commodity Purchase Agreement.

"Official Statement" shall mean the Official Statement, dated ____, 2025, relating to the 2025 Bonds.

"Participating Underwriter" shall mean any of the original underwriters of the 2025 Bonds required to comply with the Rule in connection with the offering of the 2025 Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than 210 days after the end of each fiscal year of the District (which presently ends on December 31), commencing with the report for the [2024] fiscal year, provide to the MSRB an Annual Report prepared by, or on behalf of, the District which is consistent with the requirements of this Disclosure Agreement applicable to the District. The Authority shall, or shall cause the Dissemination Agent to, not later than 210 days after the end of each fiscal year of the Authority (which presently ends on December 31), commencing with the report for the 2025 fiscal year, provide to the MSRB an Annual Report prepared by, or on behalf of, the Authority which is consistent with the requirements of this Disclosure Agreement applicable to the Authority. The Annual Report must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB, and may cross-reference other information as provided in this Disclosure Agreement; provided that the audited financial statements of the District or the Authority may be submitted separately from the balance of the Annual Report and later than the date described above for the filing of the Annual Report if they are not available by that date. If the District's or the Authority's fiscal year changes, such party shall give notice of such change in the same manner as for a Listed Event as described

below. The District shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by it hereunder. The Authority shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by it hereunder. The Dissemination Agent may conclusively rely upon such certifications and shall have no duty or obligation to review such Annual Reports.

(b) Not later than fifteen (15) Business Days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the Authority and the District shall provide its respective Annual Report and written certification to the Dissemination Agent. If by such date, the Dissemination Agent has not received a copy of an Annual Report, the Dissemination Agent shall contact the applicable disclosing party to determine if such party is in compliance with this requirement.

(c) If the Dissemination Agent has not received a certification from the District and/or the Authority that the Annual Reports have been provided to the MSRB by the date described in subsection (a), the Dissemination Agent shall send a notice to the MSRB in substantially the form attached as Exhibit A to this Disclosure Agreement.

(d) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the then-current procedures for submitting Annual Reports to the MSRB; and

(ii) if the Annual Report has been provided by the District or the Authority, as applicable, for filing, file a report with the applicable party certifying that the Annual Report has been provided to the MSRB pursuant to this Disclosure Agreement and stating the date it was provided.

SECTION 4. Content of Annual Reports. The District's Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the District for the most recently completed fiscal year, prepared in accordance with generally accepted accounting principles for governmental enterprises as prescribed from time to time by any regulatory body with jurisdiction over the District and by the Governmental Accounting Standards Board, and as further modified according to applicable State law. If the District's or audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the audited financial statements, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) To the extent not included in the audited financial statements of the District, the Annual Report shall also include the following:

(i) A summary of customers, energy sales, revenues and peak demand of the District in tabular form for the most recently completed fiscal year.

Any or all of the items listed above may be set forth in one or a set of documents or may be included by specific reference to other documents, including official statements of

debt issues of the District or related public entities, which have been made available to the public on the MSRB's website. The District shall clearly identify each such other document so included by reference.

(c) The Authority's Annual Report shall contain or include by reference: (i) audited financial statements of the Authority for the most recently completed fiscal year, prepared in accordance with generally accepted accounting principles for governmental enterprises as prescribed from time to time by any regulatory body with jurisdiction over the Authority and by the Governmental Accounting Standards Board, and as further modified according to applicable State law. If the Authority's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the audited financial statements, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(d) Information contained in an Annual Report for any fiscal year containing any modified operating data or financial information for such fiscal year shall explain, in narrative form, the reasons for such modification and the effect of such modification on the Annual Report being provided for such fiscal year. If a change in accounting principles is included in any such modification, such Annual Report shall present a comparison between the financial statements or information prepared on the basis of modified accounting principles and those prepared on the basis of former accounting principles.

SECTION 5. Reporting of Listed Events.

(a) The Authority or the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the 2025 Bonds in a timely manner not later than ten business days after the occurrence of the event:

(i) Principal and interest payment delinquencies;

(ii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iii) Unscheduled draws on credit enhancements reflecting financial difficulties;

(iv) Substitution of credit or liquidity providers, or their failure to perform;

(v) Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB);

(vi) Tender offers;

(vii) Defeasances;

(viii) Rating changes;

(ix) Bankruptcy, insolvency, receivership or similar event of the Authority; or

(x) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Authority, any of which reflect financial difficulties.

For the purposes of the event identified in subparagraph (ix), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Authority in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under State or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Authority, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Authority.

(b) The Authority or the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the 2025 Bonds, if material, in a timely manner not later than ten business days after the occurrence of the event:

(i) Unless described in paragraph 5(a)(v), other material notices or determinations by the Internal Revenue Service with respect to the tax status of the 2025 Bonds or other material events affecting the tax status of the 2025 Bonds;

(ii) Modifications to rights of Holders;

(iii) Optional, unscheduled or contingent bond calls;

(iv) Release, substitution, or sale of property securing repayment of the 2025 Bonds;

(v) Non-payment related defaults;

(vi) The consummation of a merger, consolidation, or acquisition involving the Authority or the sale of all or substantially all of the assets of the Authority, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;

(vii) Appointment of a successor or additional trustee or the change of name of a trustee; or

(viii) Incurrence of a Financial Obligation of the Authority or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Authority, any of which affect 2025 Bond Holders.

(c) Whenever the Authority or the District obtains knowledge of the occurrence of a Listed Event described in subsection 5(b), the Authority or the District, as applicable, shall determine as soon as possible whether such event would be material under applicable federal securities laws.

(d) Whenever the Authority or the District obtains knowledge of the occurrence of a Listed Event described in subsection (a), or the Authority or the District determines that the occurrence of a Listed Event described in subsection (b) is material under applicable federal securities laws, the Authority or the District shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (g).

(e) If in response to a request under subsection (c), the Authority or the District determines that the Listed Event would not be material under applicable federal securities laws, such party shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (g).

(f) If the Dissemination Agent has been instructed by the Authority or the District to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice, prepared by the Authority or the District, as applicable, of such occurrence with the MSRB within ten business days of such occurrence. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(vii) and (b)(iii) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected 2025 Bonds pursuant to the Indenture, and for any other Listed Event, notice need not be given any earlier than the occurrence thereof.

(g) The notice of Listed Event must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB.

SECTION 6. Provision of Certain Notices Relating to Monthly Ledger Reports. The Authority or the District further agree to file, or cause to be filed, a notice, prepared by the Authority or the District, with the MSRB of the occurrence of either of the following in a timely manner not later than ten business days after the occurrence thereof:

(a) the receipt by the Authority or the District of a Monthly Ledger Report that includes a credit to any Non-Private Business Sales Ledger or any Private Business Sales Ledger that has not been reversed within twelve months of the date of such credit; or

(b) the receipt by the Authority or the District of a Monthly Ledger Report that shows that a Ledger Event has occurred.

SECTION 7. Termination of Reporting Obligation. The obligations of the Authority, the District and the Dissemination Agent under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the 2025 Bonds, or upon delivery to the District, the Authority or the Dissemination Agent (if other than the District) of an opinion of nationally recognized bond counsel to the effect that such continuing disclosure is no longer required. If such termination occurs prior to the final maturity of the 2025 Bonds, the Authority or the District shall give notice of such termination in a filing with the MSRB.

SECTION 8. Dissemination Agent. The Authority or the District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Authority or the District pursuant to this Disclosure Agreement. The initial Dissemination Agent shall be Willdan Financial Services. The Dissemination Agent may resign by providing thirty days written notice to the Authority and the District. It is understood and agreed that any information that the Dissemination Agent may be instructed to file with the MSRB, shall be prepared and provided to it by the District or the Authority. The Dissemination Agent has undertaken no responsibility with respect to any reports, notices or disclosures provided to it under this Disclosure Agreement, and has no liability to any person, including any Holder or Beneficial Owner, with respect to any such reports, notices or disclosures. The fact that the Dissemination Agent or any affiliate thereof may have any fiduciary or banking

relationship with the District or the Authority shall not be construed to mean that the Dissemination Agent has actual knowledge of any event or condition except as may be provided by written notice from the District or the Authority.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Authority, the District, and the Dissemination Agent may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived; provided further, that in the opinion of nationally recognized bond counsel satisfactory to the Authority and the District, such amendment or waiver is permitted by the Rule.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Authority and the District shall describe such amendment in the next respective Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Authority or the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Authority or the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Authority or the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, such party shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. Default. In the event of a failure of the Authority, the District or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders or Beneficial Owners of at least 25% aggregate principal amount of Outstanding 2025 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Authority, the District or Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture, or any related agreement, and the sole remedy under this Disclosure Agreement in the event of any failure of the Authority, the District or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance hereunder; provided, however, that any such action may be instituted only in the Superior Court of the State of California in and for the County of Stanislaus or in the U.S. District Court in or nearest to such County.

SECTION 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties under this Disclosure Agreement, including the costs and expenses (including attorney's fees and expenses) of defending

against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the District described in this Section shall survive resignation or removal of the Dissemination Agent and payment of the 2025 Bonds. The Dissemination Agent shall be paid compensation by the District for its services provided hereunder in accordance with its schedule of fees as amended from time to time and all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. Any company succeeding to all or substantially all of the Dissemination Agent's corporate trust business shall be the successor to the Dissemination Agent hereunder without the execution or filing of any paper or any further act.

SECTION 13. Governing Law. The effect and meaning of this Disclosure Agreement and the rights of all parties hereunder shall be governed by, and construed according to, the laws of the State of California.

[Remainder of page intentionally left blank.]

SECTION 14. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Authority, the District, the Participating Underwriters and the Holders from time to time of the 2025 Bonds, and shall create no rights in any other person or entity.

Dated: _____, 2025.

CENTRAL VALLEY ENERGY AUTHORITY

By: _____
Treasurer

TURLOCK IRRIGATION DISTRICT

By: _____
Chief Financial Officer/Assistant General Manager, Financial Services

WILLDAN FINANCIAL SERVICES, as Dissemination Agent

By: _____

Title: _____

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: CENTRAL VALLEY ENERGY AUTHORITY

Name of Bond Issue: COMMODITY SUPPLY REVENUE BONDS, SERIES 2025

Date of Issuance: ____, 2025

NOTICE IS HEREBY GIVEN that the [Central Valley Energy Authority (the "Authority")/Turlock Irrigation District (the "District")] has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement executed and delivered by the Authority with respect to the above-named Bonds. The [Authority/District] anticipates that the Annual Report will be filed by _____.

Dated: _____.

CENTRAL VALLEY ENERGY AUTHORITY

By: _____
Treasurer