

At the end of the Summer Period, Seller shall pay to Buyer, as Buyer's sole and exclusive remedy for any failure of Seller to maintain an On Peak Availability Factor of at least 96.5% during such Summer Period, a rebate in an amount equal to the product of (i) 96.5% minus the On Peak Availability Factor, (ii) 66%, and (iii) the amount of the Summer Period Guaranteed Payments for such Summer Period. If the On Peak Availability Factor exceeds 96.5% during any such Summer Period, Buyer at the end of such Summer Period, shall pay to Seller a bonus in an amount equal to the product of (i) the On Peak Availability Factor minus 96.5%, (ii) 66%, and (iii) the amount of the Summer Period Guaranteed Payments for such Summer Period.

(b) For each Contract Year during the Delivery Term, Seller shall maintain an Annual Availability Factor of at least 95.5% in accordance with this Section 5.3(b). The Annual Availability Factor shall be determined, for each Contract Year, by dividing (i) the difference between the Aggregate Energy minus the Cumulative Undelivered Energy by (ii) the Aggregate Energy. The Annual Availability Factor shall be expressed as a percentage, which shall be deemed in no event to exceed one hundred percent (100%).

WHERE;

"Aggregate Energy" means, for any Contract Year, the sum of the Hourly Energy for each hour of such Contract Year.

"Hourly Energy" means, for any hour, the product of the Applicable Capacity for such hour times one hour.

"Hourly Undelivered Energy" means, for any hour, the sum, without duplication, of (i) the Energy in MWh Scheduled by Buyer in accordance with Section 4.2 and not delivered by Seller during such hour and (ii) any Energy in MWh not Scheduled by Buyer to the extent Seller has declared such Energy to be unavailable during such hour in accordance with the clause (ii) of the first sentence of Section 4.2(a). For the avoidance of doubt, any Energy not delivered by Seller because of a breach by Buyer of its obligations under this Agreement shall not be counted in determining the foregoing sum.

"Cumulative Undelivered Energy" means, for any Contract Year, the sum of the Hourly Undelivered Energy for each hour of such Contract Year.

Notwithstanding the foregoing, there shall be excluded for purposes of calculating the Annual Availability Factor, each hour in which Planned Outages occur (except to the extent described in Exhibit H) and each hour that satisfies both of the following requirements for which any event of Force Majeure (up to twenty-five (25) Days per occurrence of such an event):

- (i) adversely affected the Project's production or delivery of Scheduled Energy during such hour; or
- (ii) resulted in Seller declaring any Energy to be unavailable in accordance

with clause (ii) of the first sentence of Section 4.2(a).

At the end of the Contract Year, Seller shall pay to Buyer, as Buyer's sole and exclusive remedy for any failure of Seller to maintain an Annual Peak Availability Factor of at least 95.5% during such Contract Year, a rebate in an amount equal to the product of (i) 95.5% minus the Annual Availability Factor (ii) 22% and (iii) the Non-Summer Guaranteed Payments for such Contract Year; provided, however, if the Annual Availability Factor is less than eighty percent (80%), then the rebate shall be increased by an amount equal to the product of (x) eighty percent (80%) minus the Annual Availability Factor, (y) 24% and (z) the Non-Summer Period Guaranteed Payments for such Contract Year. If the Annual Availability Factor exceeds 95.5%, during any Contract Year, Buyer at the end of such Contract Year, shall pay to Seller a bonus in an amount equal to the product of (i) the Annual Availability Factor minus 95.5% (ii) 22% and (iii) the Non-Summer Period Guaranteed Payments for such Contract Year.

(c) For purposes of calculating the On Peak Availability Factor and the Annual Availability Factor, Alternative Generation provided by Seller shall be counted for purposes of determining whether any rebate provided by this Section 5.3 is payable by Seller to Buyer, but shall not be counted for purposes of determining whether any bonus provided by this Section 5.3 is payable by Buyer to Seller.

6. INTENTIONALLY OMITTED

7. REPRESENTATIONS AND WARRANTIES

7.1 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 follows:

(a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation and is qualified to conduct its business in those jurisdictions necessary to perform this Agreement;

(b) the execution, delivery and performance of this Agreement are within its corporate or limited liability company powers, as the case may be, and have been duly authorized by all necessary corporate or limited liability company action, as the case may be;

(c) this Agreement constitutes a legal, valid and binding obligation of such Party enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, reorganization and other laws affecting creditor's rights generally, and the application of equitable principles regardless of whether enforcement is sought in a proceeding at law or in equity; and

(d) there are no bankruptcy, insolvency, reorganization, receivership or other similar proceedings pending or being contemplated by it, or to its knowledge threatened against it.

7.2 No Other Representations and Warranties.

Each Party acknowledges that it has not entered into this Agreement based upon representations and warranties other than the express representations and warranties set forth in this Agreement.

8. COVENANTS

8.1 Remaking of Representations and Warranties. Each Party covenants that it will cause its respective representations and warranties in Section 7.1 (a) through (c) to remain true and correct throughout the Contract Term.

8.2 Professional Operations. Each Party shall employ, either directly or indirectly, professional personnel who are fully capable of performing the tasks of such Party under Sections 3.4(d), 3.4(f), 4.2, 4.3(c) and 4.4 of this Agreement on a 24-hour per Day, 7-Day per week basis.

8.3 Operation of the Project. Seller shall use all commercially reasonable efforts to operate and maintain the Project consistent with Prudent Industry Practice. Seller shall obtain and maintain insurance in accordance with the requirements of Exhibit I hereto. Seller shall not amend the Gas Distribution Agreement, ComEd Interconnection Agreement, or MEC Interconnection Agreement in such a manner that would have a material adverse effect on Buyer without obtaining Buyer's written consent.

8.4 Confidentiality. Any Confidential Information is disclosed in confidence, and the transferee shall restrict its use of such information solely to uses related to the development, construction, ownership, financing, operation or disposition of the Project, the purchase, sale or resale of the Project capacity and Energy hereunder or the performance of this Agreement. Neither the transferee nor any consultant or other person to whom any Confidential Information is provided in connection with the Project or performance of this Contract shall publish or otherwise disclose such information to others or use such information for any purpose except as expressly provided above without the written approval of the transferor; provided, however, that nothing herein shall limit (i) the right of Seller to provide any Confidential Information regarding this Agreement to any Financing Entity (or advisors retained on their behalf) or their successors and assigns, or (ii) the right of either Party to supply such information to any governmental authority asserting a right to such information, or as may be required by Applicable Requirements.

8.5 MAPP/MAIN. Seller and Buyer may become members of either or both of MAPP or MAIN at their election.

8.6 Cooperation. Buyer shall cooperate in good faith with and provide reasonable assistance

to Seller and its Affiliates in providing information to actual or prospective Financing Parties for the Project, and cooperate in good faith with Seller and its Affiliates to obtain financing or re-financing for the Project. In connection therewith, Buyer shall enter into a consent to Seller's assignment of this Agreement to the Financing Parties and such other agreements, instruments, opinions, and documents as Seller or the Financing Parties may reasonably request in connection with such financing or re-financing.

8.7 Planned Outages. Seller shall schedule Planned Outages in accordance with Exhibit H.

8.8 Sales for Resale. Buyer shall sell or otherwise dispose of the capacity and Energy actually purchased by Buyer hereunder in a manner that causes the sale of the capacity and Energy by Seller to Buyer hereunder to be "sales for resale" in accordance with the Federal Power Act and applicable FERC regulations.

8.9 Operating Committee. An "Operating Committee" shall be established by the Parties to oversee the implementation of the transaction as provided below. The membership of the Operating Committee shall be comprised of two (2) individuals, one of which shall be appointed by Seller and one of which shall be appointed by Buyer. Either Party may appoint one or more individuals to serve as alternates to the member appointed by such Party and one of such Party's alternate(s) shall have the powers and duties of such Party's member on the Operating Committee during the absence of the Party's member. The Operating Committee shall meet at such times as the members may mutually agree. Meetings may be in person or by telephone or video conference call. The members may agree to have other representatives of the Parties at the meetings. The Operating Committee shall be responsible for only such matters as both Parties shall mutually agree in writing. No proceedings or decisions of the Operating Committee shall be binding upon either Party unless mutually agreed to in writing by the Operating Committee members of both Parties expressly acting in their capacity as members of the Operating Committee.

9. CONDITIONS PRECEDENT

9.1 Seller's Conditions Precedent. Notwithstanding any other provisions of this Agreement, the effectiveness of this Agreement (other than Sections 3.2(c), 8.4, 8.6, 9, 10, 11, 13, 14, 15 and 16) is subject to the satisfaction, or the waiver (other than the waiver of any of the requirements of Exhibit J) by Seller, of the following conditions precedent:

(a) the receipt by Seller and Buyer of all necessary governmental approvals for the Agreement to become effective and for the Parties to perform their respective obligations hereunder (including, without limitation, the filing by Seller of this Agreement with the FERC and the acceptance by the FERC of this Agreement and the receipt by Buyer of the governmental approvals set forth in Exhibit J); and

(b)(i) Seller shall have received a Ratings Reaffirmation in connection with this Agreement and the exercise by Seller of rights to call back Project capacity from its other customer(s) for use in connection with this Agreement or (ii) Seller shall have notified Buyer in

writing that no such Ratings Reaffirmation is required under the agreements entered into by Seller and Cordova Funding Corporation for the financing of the Project.

9.2 Buyer's Condition Precedent. Notwithstanding any other provision of this Agreement, the effectiveness of this Agreement (other than Sections 3.2(c), 8.4, 8.6, 9, 10, 11, 13, 14, 15 and 16) is subject to the satisfaction, or the written waiver (other than the waiver of any of the requirements of Exhibit J) by Buyer, of the following conditions precedent:

(a) the receipt by Seller and Buyer of all necessary governmental approvals for the Agreement to become effective and for the Parties to perform their respective obligations hereunder (including the filing by Seller of this Agreement with the FERC and the acceptance by the FERC of this Agreement) and the receipt by Buyer of the governmental approvals set forth in Exhibit J); and

(b) Seller shall not have received from MAPP a determination that Buyer's Project Capacity will not be accredited as a result of a term or condition in the Agreement.

9.3 Notification. Each Party shall promptly (but in no event later than ten (10) Days after a condition is satisfied) notify the other Party in writing of such first Party's satisfaction of each condition precedent above. Seller and Buyer each shall use reasonable efforts to satisfy the conditions precedent applicable to it, and shall cooperate reasonably with the other Party in such other Party's efforts to satisfy its conditions precedent; provided, however, neither Party shall be required to agree to any amendment, modification or waiver of any provision of this Agreement or to agree to any other condition, term, obligation or requirement with respect to any governmental approval or Ratings Reaffirmation unless such Party in its sole discretion is willing to do so.

9.4 Effectiveness. Notwithstanding anything herein to contrary, this Agreement shall be deemed not effective and null and void in the event the approvals set forth in Exhibit J are not obtained by July 20, 2000 or such later date as the Parties may mutually agree in writing but in no event later than the Day prior to Commercial Operation Date.

10. TERMINATION

If the Parties have not satisfied or waived their respective conditions precedent set forth in Sections 9.1 and 9.2 and notified the other Party thereof, by July 20, 2000, this Agreement shall automatically terminate without cost or penalty to either Party, unless such date is extended or waived by written agreement of both Parties.

11. EVENTS OF DEFAULT AND REMEDIES

11.1 Event of Default. An "Event of Default" shall mean:

(a) the failure of the defaulting Party to make, when due, any payment required under this Agreement if such failure is not remedied within five (5) Business Days after written notice

of such failure is given to the defaulting Party by the other Party; or

(b) any material representation or warranty made by the defaulting Party in this Agreement shall prove to have been false or misleading in any material respect when made; or

(c) the material breach by the defaulting Party of any covenant set forth in this Agreement (other than (i) any event that is otherwise specifically covered in this Section 11.1 as a separate Event of Default and (ii) the breach of such Party's obligations, as applicable, to achieve the Commercial Operation Date or to deliver Energy, the sole and exclusive remedies for which are provided in Sections 3.2 or 5.3, as applicable), and such failure is not cured within thirty (30) Days after written notice thereof to the defaulting Party or, if the breach or default is not of the type that can be reasonably cured within thirty (30) Days, within a reasonable period of time, so long as the defaulting Party has commenced to cure the breach or default within such thirty (30) Day period and thereafter diligently pursues such cure to completion within one hundred eighty (180) days; or

(d) the defaulting Party shall:

(i) make an assignment or any general arrangement for the benefit of creditors;

(ii) file a petition or otherwise commence, authorize or acquiesce in the commencement of a proceeding or cause of action under any bankruptcy or similar law for the protection of creditors, or have such petition filed against it and such petition is not withdrawn or dismissed within sixty (60) Days after such filing;

(iii) otherwise become bankrupt or insolvent (however evidenced); or

(iv) be unable to pay its debts as they fall due.

11.2 Remedies Upon an Event of Default.

(a) Upon the occurrence and during the continuation of any Event of Default, the Party not in default shall have the right:

(i) to terminate this Agreement upon ten (10) Days' written notice to the defaulting Party; or

(ii) to pursue any other remedy (A) provided under this Agreement or (B) subject to Sections 11.3 and 14.2, now or hereafter existing at law.

(b) Notwithstanding any other provision of this Agreement, a Party's damages shall not include any Stranded Costs.

11.3 Acknowledgment of the Parties.

(a) Each Party hereby stipulates that the payment obligations set forth in Section 5.3 are reasonable in light of the anticipated harm and the difficulty of estimation or calculation of actual damages and each Party hereby waives the right to contest such payments as an unreasonable penalty. The remedy set forth in Sections 3.2 and 5.3, as the case may be, shall be the sole and exclusive remedy of the aggrieved Party for Seller's failure to meet the Commercial Operation Date, Seller's failure to meet the other milestones set forth in Section 3.2, and the failure of Seller to sell and deliver the Scheduled Energy, respectively, and all other damages and remedies therefor are hereby waived.

(b) In the event either Party fails to pay amounts in accordance with the terms of this Agreement when due, the aggrieved Party (a) shall have the right to suspend performance until such amounts plus interest at the Late Payment Rate have been paid, and/or (b) shall be entitled to interest at the Late Payment Rate from the date due until the date paid.

11.4 Other Events.

In the event that Buyer is regulated by a federal, state or local regulatory body, and such body shall disallow recovery of all or any portion of any costs incurred or yet to be incurred by Buyer under any provision of this Agreement, such action shall not operate to excuse Buyer from performance of any obligation nor shall such action give rise to any right of Buyer to any refund or retroactive adjustment of the amounts owed under the Agreement.

12. BILLING AND PAYMENT

12.1 Billing and Payment.

Seller shall render to Buyer (by regular mail, facsimile or other acceptable means pursuant to Section 16.1) for each Month during the Delivery Term a statement setting forth the Guaranteed Payment for such Month, the Variable Energy Payment for the Month and any other charges due Seller, including payments or credits between the Parties pursuant to Sections 3.4(f), 4.3(c), 4.4 and 5.3 during the preceding Month, and the amounts due to Seller from Buyer therefor. If Seller is missing any relevant information at the time Seller prepares a regular monthly invoice, then Seller may separately invoice Buyer for any affected payment or amount in a supplemental invoice or subsequent regular invoice upon receipt of the relevant information. On or before twenty (20) Days after receipt of Seller's statement, or if such Day is not a Business Day, on the Day provided in Section 1.2(f), Buyer shall render, by wire transfer, the amount set forth on such statement to the payment address provided in Exhibit F hereto. Overdue payments shall accrue interest from, and including, the due date to, but excluding, the date of payment at the Late Payment Rate.

12.2 Audit.

Each Party (and its Representatives) has the right, at its sole expense and during normal working hours, to examine the records of the other Party to the extent reasonably necessary to

verify the accuracy of any statement, charge or computation made pursuant to this Agreement. If requested, a Party shall provide to the other Party statements evidencing the quantities of Energy delivered at the Delivery Point or the Alternative Delivery Point. If any such examination reveals any inaccuracy in any statement, the necessary adjustments in such statement and the payments thereof will be promptly made and shall bear interest calculated at the Late Payment Rate from the date the overpayment or underpayment was made until paid; *provided, however*, that no adjustment for any statement or payment will be made unless objection to the accuracy thereof was made prior to the lapse of one year from the rendition thereof.

13. ASSIGNMENT; BINDING EFFECT

13.1 Assignment.

Neither Party shall assign this Agreement or any of its rights or obligations hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, either Party may, without the need for consent from the other Party (and without relieving itself of its obligations hereunder), (i) transfer, sell, pledge, encumber or assign this Agreement or the accounts, revenues or proceeds hereof in connection with any financing or other financial arrangements; or (ii) transfer or assign this Agreement to any person or entity succeeding to all or substantially all of the assets of such Party; *provided, however*, that in each such case other than clause (i), (x) the assignee shall make representations to the other Party identical to those under Section 7.1, and (y) the assignee shall agree in writing to be bound by the terms and conditions of this Agreement.

13.2 Binding Effect.

This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns. No assignment or transfer permitted hereunder shall relieve Seller or Buyer of any of their respective obligations under this Agreement.

14. FORCE MAJEURE AND LIMITATION OF LIABILITY

14.1 Force Majeure.

If either Party is rendered unable by Force Majeure to carry out, in whole or in part, its obligations under this Agreement and such Party gives notice and full details of the event to the other Party as soon as practicable after the occurrence of the event, the obligations of the Party affected by the event (other than the obligation to make payments due under this Agreement) shall be suspended to the extent so affected. The Party affected by the Force Majeure shall use commercially reasonable efforts to continue to perform its obligations under this Agreement and remedy its inability to perform; *provided, however*, that this provision shall not require Seller to deliver, or Buyer to receive, Energy at points other than the Delivery Point or, if elected by Seller in accordance with Section 4.3(c), an Alternative Delivery Point. Nothing in this Section 14.1 shall require the settlement of any strike, walkout, lockout or other labor dispute on terms that, in the sole judgment of the Party involved in the dispute, are contrary to that Party's interest. It is

understood and agreed that the settlement of strikes, walkouts, lockouts or other labor disputes shall be entirely within the discretion of the Party having the difficulty.

14.2 Limitation of Remedies, Liability and 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 STATED TO 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. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY HEREIN PROVIDED, THE OBLIGOR'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY, SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED IN THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER 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 ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER 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.

14.3 Duty to Mitigate.

Each Party agrees that it has a duty to mitigate damages and covenants that it will use commercially reasonable efforts to minimize any damages it may incur as a result of the other Party's performance or non-performance of this Agreement.

15. TAXES; STRANDED COSTS

15.1 General.

Buyer and Seller shall each use reasonable efforts to implement the provisions of and to administer this Agreement in accordance with their intent to minimize taxes, so long as neither Party is materially adversely affected by such efforts. Either Party, upon written request of the other, shall provide a certificate of exemption or other reasonably satisfactory evidence of exemption if either Party is exempt from taxes, and shall use reasonable efforts to obtain and cooperate with obtaining any exemption from or reduction of tax. Either Party with knowledge of a tax on the purchase or sale of energy that may be applicable to the Energy sold hereunder shall notify the other Party, in advance, of the applicability of such tax and shall also notify the other Party of any proposal to implement a new tax or apply an existing tax to the purchase, sale, delivery, or receipt of Energy hereunder.

15.2 Applicable Taxes.

Seller shall be responsible for all existing and any new sale, use, energy, excise, gross receipts, ad valorem, and any other similar taxes, imposed or levied by any federal, state or local governmental agency on or with respect to the Energy sold and delivered hereunder prior to the Delivery Point or the Alternative Delivery Point, as the case may be. Buyer shall be responsible for all existing and any new sale, use, energy, excise, gross receipts, ad valorem, and any other taxes, imposed or levied by any federal, state or local governmental agency on the Energy sold and delivered hereunder at or after the Delivery Point or the Alternative Delivery Point, as the case may be. If Seller is required to collect or pay any tax levied at the Delivery Point or the Alternative Delivery Point, as the case may be, on behalf of Buyer as a result of the sales transaction contemplated in this Agreement (including, but not limited to, any sales, use, utility or gross receipts tax, or any tax of a similar nature), Buyer shall reimburse that tax to Seller. Neither Party shall be required to pay, or cause to be paid, any taxes measured by the income of the other Party. Each Party shall indemnify (to the extent permitted by law), release, defend and hold harmless the other Party from and against any and all liability for (i) taxes measured by the income of the indemnifying Party and (ii) taxes imposed or assessed by any taxing authority with respect to the Energy sold, delivered and received hereunder that are the responsibility of the Party pursuant to this Section 15.2.

15.3 Stranded Costs.

Notwithstanding any other provision in this Agreement to the contrary, in performance of this Agreement neither Party shall be required to bear, directly or indirectly, any Stranded Costs (including, without limitation, any transmission surcharges, taxes, etc.) incurred by the other Party or any customer or supplier of the other Party or any other Person, or that are assessed or levied by any Person against the other Party.

16. MISCELLANEOUS

16.1 Notices.

Any notice, request, demand or other communication required or permitted to be given under this Agreement shall be in writing (unless otherwise provided herein) and shall be deemed to have been duly given and received (i) at the time of service if served personally, (ii) one half hour after the time of confirmation of transmission if sent via facsimile transmission and written confirmation is received, (iii) on the day after delivery to a courier for overnight delivery, with delivery fees prepaid, or (iv) on the fifth day after mailing when deposited in the United States Mail (registered or certified receipt requested) postage prepaid by first class mail, in each case to the addresses or facsimile numbers, as applicable, specified in Exhibit F. Notices permitted to be delivered via telephone under this Agreement shall be deemed to be received at the time the phone conversation takes place using the phone numbers specified in Exhibit F. The Party delivering notice via telephone shall provide the other Party with a written statement regarding the subject matter of such telephone notice on the Business Day following the date such

telephonic notice was provided.

16.2 Entirety.

This Agreement and the Exhibits hereto constitute the entire agreement between the Parties related to the subject matter hereof and supercedes all prior agreements covering such subject. There are no prior or contemporaneous agreements or representations affecting the same subject matter other than those herein expressed. Except for any matters which, in accordance with the express provisions of this Agreement, may be resolved by verbal agreement between the Parties, no amendment, modification or change herein shall be enforceable unless reduced to writing and executed by both Parties. For the avoidance of doubt, this Agreement does not supercede the Gas Distribution Agreement, the MEC Interconnection Agreement or any agreements for the transmission of energy, the construction of facilities or the transfer or use of real estate rights, all of which remain in full force and effect.

16.3 Governing Law.

THIS 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 ILLINOIS, WITHOUT GIVING EFFECT TO PRINCIPLES OF CONFLICTS OF LAWS.

16.4 Non-Waiver.

No waiver by any Party hereto of any one or more defaults by the other Party in the performance of any of the provisions of this Agreement shall be construed as a waiver of any other default or defaults whether of a like kind or different nature.

16.5 Severability.

Except as otherwise stated herein, any provision or article declared or rendered unlawful by a court of law or regulatory agency or jurisdiction over the Parties, or deemed unlawful because of a statutory change, will not otherwise affect the lawful obligations that arise under this Agreement. In such circumstances, the Parties agree to negotiate in good faith to restore the agreement as near as possible to the original intent and effect.

16.6 Headings; Exhibits.

The headings used for the sections and articles herein are for convenience and reference purposes only and shall in no way affect the meaning or interpretation of the provisions of this Agreement. Any and all Exhibits referred to in this Agreement are, by such reference, incorporated herein and made a part hereof for all purposes.

16.7 No Third Party Beneficiaries.

Nothing in this Agreement shall provide any benefit to any third party or entitle any third

party to any claim, cause of action, remedy or right of any kind, it being the intent of the Parties that this Agreement shall not be construed as a third party beneficiary contract.

16.8 Counterparts.

This Agreement may be executed in several counterparts, each of which is an original and all of which constitute one and the same instrument.

16.9 Arbitration.

ANY CONTROVERSY OR CLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE BREACH THEREOF SHALL BE SETTLED BY ARBITRATION ADMINISTERED BY THE AMERICAN ARBITRATION ASSOCIATION (THE "AAA") IN ACCORDANCE WITH ITS COMMERCIAL ARBITRATION RULES, AND JUDGMENT ON THE AWARD RENDERED BY THE ARBITRATOR(S) MAY BE ENTERED IN ANY COURT HAVING JURISDICTION THEREOF. WITHIN FIFTEEN (15) DAYS AFTER EITHER PARTY HAS PROVIDED NOTICE TO THE OTHER THAT IT IS INVOKING ARBITRATION WITH RESPECT TO ANY CONTROVERSY OR CLAIM HEREUNDER, BUYER AND SELLER SHALL MUTUALLY AGREE ON THE SELECTION OF AN ARBITRATOR, AND IF THE PARTIES HAVE NOT SO AGREED WITHIN SUCH FIFTEEN (15) DAY PERIOD, THEN THE ARBITRATOR SHALL BE SELECTED UNDER THE EXPEDITED RULES OF THE AAA. ANY ARBITRATION SHALL BE COMPLETED WITHIN ONE HUNDRED TWENTY (120) DAYS AFTER EITHER PARTY FIRST DELIVERS NOTICE TO THE OTHER PARTY OF THE COMMENCEMENT OF SUCH ARBITRATION (SUCH ONE HUNDRED TWENTY (120) DAY PERIOD, THE "ARBITRATION PERIOD"), AND THE ARBITRATOR SHALL AGREE TO COMPLY WITH THIS SCHEDULE BEFORE ACCEPTING APPOINTMENT; PROVIDED, HOWEVER, THAT THIS TIME LIMIT MAY BE EXTENDED BY WRITTEN AGREEMENT OF THE PARTIES. ANY ARBITRATION SHALL BE HELD IN DES MOINES, IOWA IN A LOCATION MUTUALLY AGREEABLE TO THE PARTIES. ANY ARBITRATION SHALL BE CONDUCTED ACCORDING TO THE FOLLOWING: (A) NOT LATER THAN SEVEN (7) DAYS PRIOR TO THE HEARING DATE SET BY THE ARBITRATOR EACH PARTY SHALL SUBMIT A BRIEF TO THE OTHER PARTY AND TO THE ARBITRATOR, (B) THE HEARING, AND ALL MATTERS RELATED THERETO, SHALL BE CONDUCTED ON A CONFIDENTIAL BASIS WITHOUT CONTINUANCE OR ADJOURNMENT, (C) EACH PARTY SHALL BE RESPONSIBLE FOR ITS OWN EXPENSES AND THOSE OF ITS COUNSEL AND REPRESENTATIVES, AND (D) NO OFFER MAY BE MADE OF THE DETAILS OF ANY SETTLEMENT NEGOTIATION RELATED TO THE ARBITRATION OR THE COST TO THE PARTIES OF THEIR REPRESENTATIVES AND COUNSEL. THE PARTIES SHALL BE ENTITLED TO DISCOVERY AS PERMITTED BY THE FEDERAL RULES OF CIVIL PROCEDURE; PROVIDED, HOWEVER, THAT THE ARBITRATOR SHALL ADJUST THE TIME PERIODS PROVIDED FOR SUCH DISCOVERY IN ORDER TO COMPLETE THE ARBITRATION WITHIN THE ARBITRATION PERIOD; PROVIDED, FURTHER, THAT EACH PARTY SHALL BE LIMITED TO A MAXIMUM OF FIVE (5) DEPOSITIONS, WITH ADDITIONAL DEPOSITIONS ALLOWED ONLY WITH THE PERMISSION OF THE ARBITRATOR AND FOR GOOD CAUSE SHOWN. EACH DEPOSITION SHALL BE LIMITED TO A MAXIMUM OF ONE DAY.

16.10 Acknowledgment of Arbitration.

EACH PARTY UNDERSTANDS THAT THIS AGREEMENT CONTAINS AN AGREEMENT TO ARBITRATE WITH RESPECT TO ANY DISPUTE PERTAINING TO THIS AGREEMENT. AFTER SIGNING

THIS AGREEMENT, EACH PARTY UNDERSTANDS THAT IT WILL NOT BE ABLE TO BRING A LAWSUIT CONCERNING ANY DISPUTE THAT MAY ARISE HEREUNDER. INSTEAD, EACH PARTY AGREES TO SUBMIT ANY SUCH DISPUTE TO AN IMPARTIAL ARBITRATOR. IN THE ABSENCE OF MANIFEST ERROR, THE FINAL ARBITRATION AWARD SHALL BE BINDING UPON THE PARTIES AND SHALL BE FINAL AND NONAPPEALABLE.

16.11 Further Assurances. The Parties shall execute such additional documents, and shall cause such additional action to be taken as may be required or, in the reasonable judgment of any Party, may be necessary or desirable, to effect or evidence the provisions of this Agreement and the transactions contemplated hereby.

IN WITNESS WHEREOF, each of Buyer and Seller has caused this Agreement to be duly executed on its behalf as of the date first above written.

CORDOVA ENERGY COMPANY LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

MIDAMERICAN ENERGY COMPANY, an
Iowa corporation

By: _____
Name: _____
Title: _____

[SIGNATURE PAGE TO POWER PURCHASE AGREEMENT]

EXHIBIT A
PROJECT DESCRIPTION

The Project is proposed to be located in Rock Island County, at 12712 192nd Avenue North, Cordova, Illinois 61242. The Project is designed to be a gas-fired, combined cycle plant containing two combustion turbines, two heat recovery steam generators, and a steam turbine-generator. The Project design includes the following major components:

A. Combustion Turbines – Two new Siemens-Westinghouse 501FD combustion turbines with natural gas firing, steam power augmentation and inlet air cooling.

B. Heat Recovery Steam Generators (HRSGs) – Two new Deltak HRSGs. Supplemental duct firing will not be included in the design. Each HRSG is designed to supply high-pressure steam to the steam turbine at a sliding pressure between 1200 psia and 1800 psia and at 1050 degrees F. The Project design includes Selective Catalytic Reduction modules to limit NOX emissions from the Project.

C. Steam Turbine – The single new Toshiba steam turbine will be a condensing turbine of approximately 180 MW (gross) with its own lube and control oil systems. The Project design provides that the steam turbine receives its steam from the HRSGs.

D. Generators – The Project design provides that the Project's generators are to be new, totally enclosed water to air cooled, 3600 rpm, 18kV, three phase, 60Hz design.

E. Auxiliaries – Auxiliary equipment and facilities to support the operation of the Project including a cooling tower, auxiliary boiler, water treatment equipment and discharge line, fire protection, back-up power equipment, control and communication systems and HVAC systems.

F. Transmission Interconnection -The Project is designed to be interconnected at 345 kV to both the Commonwealth Edison Company and MidAmerican Energy Company transmission systems at or in the vicinity of the site of the Project.

G. Gas Interconnection -The Project is designed to connect to the LDC gas distribution system Nitrin line.

H. Site – The Project design leaves room at the site for the installation of additional units and related facilities. For purposes of this Agreement, any such additional units and related facilities are not part of the Project.

I. Capacity – The Project is designed to have a Project Capacity of at least 510 MW at the time of substantial completion under the EPC Contract and at least 537 MW at the time of final completion under the EPC Contract, in each case at 59 degrees Fahrenheit and 60% relative humidity.

J. Design – The Project is designed to have an operating life in normal commercial operation of not less than twenty (20) years following the Commercial Operation Date.

EXHIBIT B
FUEL SPECIFICATIONS

Natural gas meeting the natural gas quality requirements in effect from time to time to transport such natural gas under the tariff of Northern Border Pipeline Company or Natural Gas Pipeline Company of America, whichever such pipeline is delivering the gas to the LDC.

EXHIBIT C
PROJECT CONSTRAINTS

The Project Constraints are the actual operational constraints of the Project while being operated in accordance with Prudent Industry Practice and Applicable Requirements including, without limitation, minimum load levels, maximum capacity, maximum ramp rates (up or down), minimum time required for start-up and the constraints on the ability to obtain and to change fuel supply and transportation as set forth in the fuel supply and transportation agreements for the Project.

Set forth below is a description of the Project Constraints based upon the initial design of the Project. Seller shall provide a revised Exhibit C containing a more detailed description of the Project Constraints following completion of final design by the EPC Contractor. Thereafter, Seller shall deliver to Buyer a revised Exhibit C if it becomes aware that there has been a material change to the Project Constraints. During the Delivery Term, the Project Constraints shall be those described in the Exhibit C then in effect unless and until superceded by a revised Exhibit C delivered by Seller in accordance with the immediately prior sentence. Seller shall use reasonable efforts to cause the actual Project Constraints to be no more restrictive than those set forth on this Exhibit C.

1. **Minimum Load Requirements.** As used herein, the "Minimum Load Requirement" for any Unit is the greater of the minimum level necessary to operate in compliance with the Project's air permit and the minimum load requirement imposed by the reasonable capabilities of the Project equipment or other Project Constraints, which is estimated to be 75% of the capacity of the Unit.

2. **Ramp Rates.** The estimated maximum ramp rate of each Unit is 100 MW per hour assuming a warm (less than 8 hour shutdown) steam turbine/HRSG. Ramp rates without the steam turbine warm may also be limited by the Startup constraints described in Section 3 below.

3. **Start-Up Times.** The estimated minimum time periods from commencement to completion of the Startup of a Unit, which are a function of the period of time the Unit has been off line, are:

Prior Off Line Period	<u>Less Than 8 Hours</u>	<u>8 to 48 Hours</u>	<u>Greater than 48 Hours</u>
Minimum Start-Up Time	2 hours	4 hours	6 hours

4. **Emission Constraints and Limitations.** Buyer may schedule energy from the Project only in a manner that will allow Seller to comply with all state and federal environmental laws and regulations in effect from time to time. It is currently estimated that compliance with Section 1 above will be sufficient to satisfy the requirements of Section 4.

5. **Fuel Supply and Transportation Constraints.** The transportation of the necessary Buyer's Fuel Supply Requirement from the Fuel Delivery Point(s) to the Project is permitted in accordance with the terms of the Gas Distribution Agreement.

6. **Reactive Power Support.** Reactive Power need not be supplied outside of the reactive power capability curves of the Project generators as specified by the manufacturers thereof.

In addition, the Project Constraints shall include the following:

1. **Maximum Quantity.** Subject to Section 4.7, for any hour during the Delivery Term, Buyer shall not, without the prior written consent of Seller, Schedule a quantity of Energy that is more than the product of Buyer's Project Capacity and the percentage (between 98% and 100%) utilized by Seller in establishing the then effective Monthly Net Capability under the fourth paragraph of Section 1 of Exhibit G (which percentage shall be the same for each Month of a given Contract Year unless the Parties otherwise agree in writing)..

EXHIBIT D
HEAT RATE

Guaranteed Heat Rate. The Guaranteed Heat Rate for the first six months of the first Contract Year shall be calculated as follows:

$$\text{Guaranteed Heat Rate} = \text{NHR} \times \text{PCF} \times \text{DF}$$

WHERE:

NHR = Net heat rate value (in BTU/kWh, HHV), which shall be equal to 6793 BTU/kWh HHV at 59 degrees Fahrenheit and 60 percent relative humidity which is the heat rate value in the EPC Contract after conversion from LHV to HHV basis for measurement.

PCF = Performance completion factor, which, at any time during the period from the Commercial Operation Date until the earlier of (i) date of achievement of the net heat rate guarantee under the EPC Contract or (ii) December 1, 2001, shall be the lesser of (x) 105% or (y) the percentage of the EPC Contract guaranteed heat rate then achieved by the EPC Contractor during the EPC Contract net heat rate test as of the Commercial Operation Date. Thereafter, the Performance Completion Factor shall be 1.

DF = Degradation Factor, which shall be 1.015.

HHV = Higher heating value of fuel (Per Applicable ASME PTC), Btu/lb.

Actual Heat Rate. The Actual Heat Rate for the Project shall be determined by a test which shall be conducted within twenty (20) Days after the end of the first six months of the Delivery Term. During the test, the Project will be operated in accordance with normal operating procedures. Each such test will be conducted for a period of four (4) hours at full load. Buyer shall be required to Schedule Energy during the test at a rate equal to 50% of the Project Capacity. The as-tested Actual Heat Rate will be determined based on the following relationship:

$$\text{AHR} = \frac{W \times \text{HHV}}{\text{kW}}$$

WHERE:

AHR = Actual Heat Rate, Btu/kWh HHV.

W = Fuel flow (per applicable ASME PTC), lb/h.

kW = Average hourly as-tested net electrical output.

The fuel consumption of the Project shall be directly measured in accordance with the applicable ASME Power Test Codes.

After the as-tested values are determined, corrections to net electrical output and as-tested Actual Heat Rate will be performed to adjust for the difference between actual ambient temperatures and humidity during the test and the guarantee point ambient temperature and humidity set forth above by using the correction curves developed by the EPC Contractor for determining whether the Project meets the heat rate guarantees in the EPC Contract.

Seller shall be entitled to schedule additional heat rate tests if an outage occurs during a heat rate test or the results of the heat rate test are otherwise determined by Seller to be unsatisfactory and the results of such additional test shall supercede such previous test.

Seller shall develop more detailed procedures for the heat rate tests.

Additional Fuel Costs – Guaranteed Heat Rate. If the Actual Heat Rate during the test conducted approximately six Months after the Commercial Operation Date, as corrected for ambient temperature and humidity, is greater than the Guaranteed Heat Rate, then Seller shall pay to Buyer, within thirty (30) Days of the test, the Additional Fuel Costs computed on the basis of the following formula:

$$P = FC * \frac{PHRC}{GHR}$$

WHERE:

P = Additional Fuel Costs due to Buyer from Seller.

FC = Fuel Cost in dollars, which shall be equal to the sum of the Daily Fuel Costs for each Day during the first six months of the first Contract Year. "Daily Fuel Costs" means, for any Day, the sum of (A) the product of (i) Buyer's Fuel Supply Requirement for such Day (in MMBtu) and (ii) the sum of (A) the Fuel Index (in \$/MMBtu) for such Day and (B) \$.015/MMBtu.

PHRC = Actual Heat Rate (in Btu/kWh HHV) minus Guaranteed Heat Rate (in Btu/kWh HHV). For purposes of calculating the Additional Fuel Costs, PHRC shall not be less than zero.

GHR = Guaranteed Heat Rate (in Btu/KWh HHV).

Fuel Savings - Guaranteed Heat Rate. If the Actual Heat Rate during the test, as corrected for ambient temperature, is less than the Guaranteed Heat Rate, then Buyer shall pay to Seller, within thirty (30) Days of the test, the Fuel Savings computed on the basis of the following formula:

$$B = FC * \frac{BHRC}{GHR}$$

WHERE:

B = Fuel Savings due to Seller from Buyer.

BHRC = Guaranteed Heat Rate (in Btu/kWh HHV) minus the Actual Heat Rate (in Btu/kWh HHV). For purposes of calculating the Fuel Savings, BHRC shall not be less than zero.

EXHIBIT E

INTENTIONALLY OMITTED

EXHIBIT F
ADDRESSES

Notices to Seller:

Cordova Energy Company LLC
302 South 36th Street
Suite 400
Omaha, NE 68131
Phone: (402) 231-1584
Fax: (402) 231-1668
Attention: General Counsel

With a copy to (except for routine communications):

Cordova Energy Company LLC
666 Grand Avenue
Des Moines, IA 50309
Fax: (515) 242-4080
Attention: General Counsel

Notices to Buyer:

Formal Notices:

MidAmerican Energy Company
666 Grand Avenue
Des Moines, IA 50309
Fax: (515) 242-4080
Attention: General Counsel

With a copy to (except for routine communications):

MidAmerican Energy Company
666 Grand Avenue
Des Moines, IA 50309
Fax: (515) 242-4038
Attention: President

Operational Notices:

MidAmerican Energy Company
4299 Northwest Urbandale Drive
Urbandale, IA 50322-7298
Attention: Vice President – Electric Trading
Phone: (515) 252-6429
Fax: (515) 252-6410

EXHIBIT G
MONTHLY NET CAPABILITY

1. Monthly Net Capability. For each Contract Year during the Delivery Term, the Monthly Net Capability for each Month shall be determined on the basis of an annual Capacity Test in accordance with this Section 1; provided, however, for purposes of Section 5.3 of the Agreement, the Monthly Net Capability shall be adjusted for variances in temperature as set forth in Section 2 below.

Any Capacity Test shall be conducted at a time proposed by Seller, subject to the consent of Buyer which shall not be unreasonably withheld or delayed. Buyer shall be entitled to be present during the conduct of a Capacity Test.

Each Capacity Test shall be conducted for a period of four (4) hours at full load. Buyer shall be required to Schedule Energy during the test at a rate equal to 50% of the expected Project Capacity as estimated by Seller.

The average hourly net electrical output of the Project will be determined for the period of the Capacity Test. After this value is determined, the maximum Monthly Net Capability for each Month of such Contract Year will be determined by adjusting this value for the difference between actual ambient temperatures, barometric pressures and relative humidity during the Capacity Test and the Temperature Basis for the Month as provided in Table G-1 below by using the correction curves developed by the EPC Contractor for determining whether the Project meets the net electrical output guarantees under the EPC Contract (and, if necessary, shall be adjusted for any limitation on output resulting from application of the "Maximum Hourly Quantity" of Fuel permitted under the Gas Distribution Agreement). The Monthly Net Capability will then be determined by Seller by designating a level for each Month between 98% and 100% of the maximum Monthly Net Capability as determined above (which percentage shall be the same for each Month of a given Contract Year unless the Parties otherwise agree in writing).

After the first Contract Year, Seller shall establish new correction curves based on actual experience to replace the correction curves from the EPC Contractor.

Seller shall be entitled to schedule additional Capacity Tests (i) if an outage occurs during a Capacity Test or the results of the Capacity Test are otherwise determined by Seller to be unsatisfactory, or (ii) during the first Contract Year, if Seller believes that the Project can achieve higher capacity levels than achieved during the Capacity Test used for the Monthly Net Capability levels then in effect.

During a Capacity Test, the Project will be operated in accordance with normal operating procedures. Except as otherwise provided herein, the Capacity Tests shall be conducted in accordance with the MAPP Uniform Rating of Generation Equipment test procedures as in effect on the Effective Date. Seller shall develop more detailed procedures for the Capacity Tests.

2. Adjustment for Availability Guarantees. For each Day during the Delivery Term, Seller shall determine the daily high temperature as reported by the National Weather Service reporting station at the Quad Cities Airport, Moline, Illinois (the "Daily High Temperature").

For purposes of Section 5.3 of the Agreement, the Monthly Net Capability for any Day shall be the Monthly Net Capability as determined pursuant to Section 1 above, as the case may be, adjusted for the difference between the Daily High Temperature for such Day and the Temperature Basis for the Month in which such Day occurs as provided in Table G-1 by using the correction curves developed by the EPC Contractor for determining whether the Project meets the net electrical output guarantees under the EPC Contract or the substitute correction curves developed by Seller in accordance with Section 1 above, as the case may be.

Seller shall develop more detailed procedures for the adjustments contemplated by this Section 2. The Parties may agree in writing to suspend the use of the temperature adjustment of this Section 2.

3. Table G-1. Table G-1 below contains the Temperature Basis as used in Sections 1 or 2 above and the MNC used for Section 3.2 of the Agreement.

TABLE G-1		
	Temperature	MNC
	Basis	
Month	(Deg. F)	(MW)
January	20	576
February	25	573
March	37	564
April	49	552
May	86	506
June	93	499
July	94	498
August	92	500
September	88	505
October	81	512
November	30	570
December	20	576

EXHIBIT H
PLANNED OUTAGES

No later than December 15 of each Calendar Year, commencing with the Calendar Year immediately prior to the Calendar Year in which the Commercial Operation Date is expected to occur, Seller shall deliver to Buyer a written schedule for Planned Outages during the next succeeding Calendar Year. In preparing this schedule:

(i) Seller shall use reasonable efforts to establish a schedule that is in accordance with Prudent Industry Practice; and

(ii) Seller shall consult with Buyer regarding Seller's proposed schedule and shall use reasonable efforts to accommodate Buyer's requests to adjust the schedule in accordance with Buyer's suggestions; provided that Seller shall not be required to so adjust the schedule if Seller reasonably determines that such adjustment would have an adverse effect on the Project, Seller or the Project operator or be inconsistent with Prudent Industry Practice; and provided further, Buyer acknowledges and agrees that Seller may also endeavor to accommodate the requests of Seller's other customers which may limit Seller's ability to accommodate Buyer's request.

Following the delivery of the schedule for a Calendar Year, as described above, if Seller determines that it is necessary to modify the schedule, Seller shall promptly notify Buyer in writing. If Buyer requests adjustments to such modified schedule, Seller shall use reasonable efforts to accommodate Buyer's requests to adjust the schedule in accordance with Buyer's suggestions, provided that Seller shall not be required to so adjust the schedule if Seller reasonably determines that such adjustment would have an adverse effect on the Project, Seller or the Project operator or be inconsistent with Prudent Industry Practice; and provided further, Buyer acknowledges and agrees that Seller may also endeavor to accommodate the requests of Seller's other customers which may limit Seller's ability to accommodate Buyer's request. Notwithstanding anything to the contrary, no Planned Outages shall be scheduled or performed during the period of May 15 through September 15 of each Calendar Year without the prior consent of Buyer.

The Parties recognize that the expected duration of a Planned Outage may be subject to change based upon circumstances that occur or are discovered during the course of the Planned Outage. Seller shall keep Buyer periodically informed as to the status and expected duration of any Planned Outage.

Seller shall provide such information as Buyer may reasonably request from time to time as to the then current schedule and expected duration of Planned Outages.

Seller agrees that for purposes of Section 5.3(b) of the Agreement, periods of Planned Outages for a Combustion Inspection, Hot Gas Path Inspections and Major Maintenance Overhauls will not be excluded from availability calculations to the extent such periods exceed 8 Days, 16 Days and 25 Days, respectively, except to the extent that the Independent Engineer for the Financing Parties determines that such additional time is required to conduct such Planned Outage in accordance with Prudent Industry Practice or to the extent that such time is reasonably required to

conduct work that is not customarily a part of such Planned Outage. As used above, the terms "Combustion Inspection", "Hot Gas Path Inspection", and "Major Maintenance Overhaul" refer to the Planned Outages of those types specified by the manufacturer of the combustion turbine/generators for the Project.

EXHIBIT I
INSURANCE

Seller shall maintain insurance as is generally carried by companies engaged in similar businesses and owning similar properties in the same general areas and financed in a similar manner (the "Industry Standard"). Seller shall not materially reduce insurance coverages without obtaining confirmation from the insurance consultant for the Financing Parties or another insurance consultant reasonably acceptable to Buyer that the revised program is in material accordance with the Industry Standard. Subject to any contrary requirements under the financing documents for the Project, Seller shall use the proceeds of its property insurance to repair or rebuild the Project following damage or loss to the Project that gives rise to the insurance proceeds (except to the extent such repair or rebuilding is accomplished without use of such proceeds).

EXHIBIT J
GOVERNMENTAL APPROVALS

1. The Iowa Utilities Board having made the specific determinations pursuant to Section 32(k) of the federal Public Utility Holding Company Act.
2. The Illinois Commerce Commission having made the specific determinations pursuant to Section 32(k) of the federal Public Utility Holding Company Act.
3. The South Dakota Public Utilities Commission having made the specific determinations pursuant to under Section 32(k) of the federal Public Utility Holding Company Act.
4. Approval of the Agreement by the Illinois Commerce Commission under Section 7-101(3) of the Illinois Public Utilities Act.
5. Approval of the Agreement by the Iowa Utilities Board ("IUB") pursuant to the requirements of IUB Docket SPU98-8.
6. Approval of the Agreement by the Federal Energy Regulatory Commission under Sections 205 and 214 of the Federal Power Act.