AGREEMENT TERMINATING THE THIRD PHASE AGREEMENT FOR

WESTERN GEOPOWER INCORPORATED RENEWABLE ENERGY POWER PURCHASE AGREEMENT

THIS TERMINATION AGREEMENT (the "Agreement") is entered into this ____ day of _____, 2011 by and between the Northern California Power Agency, a joint powers agency of the State of California ("NCPA") and those of its Members who entered into the Third Phase Agreement for Western GeoPower Incorporated Renewable Energy Power Purchase Agreement on May 6, 2008 ("Participants") (collectively, the "Parties").

RECITALS:

WHEREAS, on or about May 6, 2008, NCPA and the Participants executed the Third Phase Agreement for Western GeoPower Incorporated Renewable Energy Power Purchase Agreement ("Third Phase Agreement");

WHEREAS, on May 16, 2008, NCPA executed a power purchase agreement ("PPA") with Western GeoPower Incorporated ("Western Geo") to purchase the entire expected electric output from a new Western Geo geothermal project ("Project") located in the Geysers Geothermal Field located in Sonoma and Lake Counties in the State of California;

WHEREAS, the purpose of the Third Phase Agreement was to provide the means necessary for NCPA to be able to enter into the PPA on behalf of the Participants and to enable and obligate the Participants to take delivery of and pay for such electricity as might be generated by the Project;

WHEREAS, the price in the PPA for energy generated by the Project was \$98 per megawatt hour ("Project Price");

WHEREAS, due to financial pressures, Western Geo was never able to build the Project, and has stated that it is unable to provide energy to NCPA at the Project Price;

WHEREAS, Western Geo has proposed revising the PPA to reflect a change in the Project Price to \$113 per megawatt hour ("Amended Price"), and not all Participants wish to participate in the Project for the Amended Price; and

WHEREAS, NCPA and the Participants have agreed to terminate the Third Phase Agreement, and those Participants desiring that NCPA enter into an amended and restated PPA ("Amended and Restated PPA") with Western Geo for energy at the Amended Price will enter into a new third phase agreement ("North Geysers Third Phase Agreement") to cover any costs and obligations associated with the Amended and Restated PPA on an ongoing basis.

NOW, THEREFORE, the Parties hereby agree as follows:

- Termination of the Third Phase Agreement. The Third Phase Agreement, and all rights and obligations of the Parties pursuant to the Third Phase Agreement, except such matters as survive its termination, including without limitation Section 10.5 thereof ("Surviving Obligations"), are hereby terminated effective as of the Effective Date. The Effective Date shall be the Effective Date of the North Geysers Third Phase Agreement.
- Mutual Release. 2. Except as to the Surviving Obligations, which are not waived or relinquished by the Parties, the Parties hereby release and discharge one another and their successors and assigns, agents, employees and representatives from any and all obligations, claims, actions and liabilities, whether past, present or future, of whatever character, known or unknown, by reason of or existing in connection with the Third Phase Agreement (the "Settled Obligations"). The Parties acknowledge that they have read and understand the terms of Section 1542 of the California Civil Code, which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

The Parties hereby waive and relinquish all rights and benefits they, and each of them, may have under Civil Code Section 1542 with respect to the Settled Obligations, and acknowledge that the consequence of such waiver and relinquishment is that no Party may make a claim against another Party for damages that may be discovered in the future with respect to the Settled Obligations.

Initials:		
	Participant	Agency

- Payment of Outstanding Costs by Participants. The Participants each agree to pay or reimburse NCPA for any and all costs and expenses incurred to date under the Third Phase Agreement, pursuant to each Participant's Participation Percentages, as that term is defined in the Third Phase Agreement.
- Other Documents. Each Party shall cooperate fully in the execution of any and all other documents and in the completion of any additional actions that may be necessary or appropriate to give full force and effect to the terms and intent of this Agreement.
- Amendment. This Agreement constitutes the entire agreement between the Parties as to the subject matter hereof and may only be amended by a writing signed by all Parties.
 - Invalidity. If any term, provision or application of this Agreement is held invalid 6.

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or unenforceable, the remainder of this Agreement and any application of the terms and provisions shall not be affected thereby, but shall remain valid and enforceable.

- 7. <u>Non-waiver.</u> The waiver of any breach of any of the provisions of this Agreement by either Party shall not constitute a continuing waiver or a waiver of any subsequent breach by the other Party either of the same or of another provision of this Agreement.
- 8. <u>Attorneys' Fees.</u> Should any litigation, including arbitration proceedings, be commenced between the Parties concerning this Agreement or the rights and duties of either of the Parties in relation thereto, the party prevailing in such litigation or arbitration, in addition to such other relief as may be granted in such proceeding, shall receive from the losing party a reasonable sum as and for his attorney fees in the litigation or arbitration, the amount of which shall be determined by the Court or the arbitrator.
- 9. <u>Notices.</u> Any notice required to be given pursuant to this Agreement, or desired to be given in connection with this Agreement, shall be given in writing as provided in the Third Phase Agreement.
- 10. <u>Counterparts</u>. This Agreement may be signed in counterparts and shall be governed by and construed in accordance with the laws of the State of California.
- 11. <u>Warranty of Authority</u>. The Parties each hereby represent and warrant that he/she/it has the authority to enter into this Agreement. Each signatory to this Agreement hereby warrants that he/she is duly authorized to execute this Agreement on behalf of and as the lawful act and deed of the entity for which he or she signs.
- 12. <u>Governing Law/Venue</u>. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to principles of conflicts of laws. Any action to enforce or interpret this Agreement shall be filed in the Superior Court of Placer County, California or in the Federal District Court for the Eastern District of California.

Executed at Placer County, California, on day and year first above set forth.

NORTHERN CALIFORNIA POWER AGENCY	Approved as to Legal Form
By:	Its: Attorney
CITY OF ALAMEDA	Approved as to Legal Form
By:	lts: Attorney
CITY OF LOMPOC	Approved as to Legal Form
By:	Its: Attorney
By:	Its: Attorney
PORT OF OAKLAND	Approved as to Legal Form
By: Title Date:	
	Date

BAY AREA RAPID TRANSIT AUTHORITY Approved as to Legal Form

By:	By:
Title	Its: Attorney
Date:	Date:
TRUCKEE DONNER REPUBLIC UTILITY DISTRICT	Approved as to Legal Form
By:	By:
Title	Its: Attorney
Date:	Date:
CITY OF LODI	Approved as to Legal Form
Ву:	By:
Title	Its: Attorney
Date:	Date:
CITY OF ROSEVILLE	Approved as to Legal Form
By:	By:
Title	Its: Attorney
Date:	Date:
SILICON VALLEY POWER	Approved as to Legal Form
By:	By:
Title	Its: Attorney
Date:	Date: