## APPENDIX A

## **DEFINITIONS**

The following terms, whether in the singular or the plural, and initially capitalized, shall have the meanings specified below:

- Acquisition. Such resources, contracts, benefits, entitlements and arrangements as may be necessary, desirable or appropriate to the Project to further SCPPA's and the Project Participants' goals and those associated services procured, retained or acquired by and on behalf of Project Participants as part of the Project and which have been approved by the Coordinating Committee and, where applicable, the Board of Directors. Acquisition includes, without limitation, the procurement of SCPPA's rights and obligations pursuant to the Power Purchase Agreement, any prepayment for energy pursuant to the Power Purchase Agreement, the purchase of the Facility, if and as applicable, associated financing, and all rights and entitlements associated with the development and implementation of the Project.
- 2. Act. All of the provisions contained in the California Joint Exercise of Powers Act found in Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, beginning at California Government Code Section 6500 et. seq., as amended from time to time.
- 3. <u>Agreement</u>. This Milford Wind Corridor Phase I Project Agency Agreement dated as of October 1, 2007.
- 4. Annual Budget. The budget approved by the Coordinating Committee and adopted by SCPPA pursuant to Section 5.4.1 of the Power Sales Agreements not less than 30 days nor more than 60 days prior to the beginning of each Power Supply Year, including any amendments thereto, which shall show a detailed estimate of the Total Monthly Costs under the Power Sales Agreements and all credits, charges, revenues, income, or other funds to be applied to such costs, for and applicable to such Power Supply Year.
- 5. <u>Balancing Agent.</u> "Balancing Agent" shall have the meaning set forth in Section 9.5 of the Power Sales Agreements.
- 6. <u>Billing Statement</u>. The written statement prepared or caused to be prepared each Month by, or on behalf of, SCPPA which shall be based upon certain of the information in the Annual Budget and shall show for such Month the amount to be paid to SCPPA by a Project Participant in accordance with the provisions of Section 7 of its Power Sales Agreement.
- 7. <u>Board of Directors</u>. The Board of Directors of the Southern California Public Power Authority.
- 8. <u>Bond Counsel</u>. Nationally recognized legal counsel having background and experience in tax exempt financing and selected by SCPPA to evaluate the applicability of the Federal Tax Exemption with respect to specified cases, transactions and matters from time to time.
- 9. Bonds. The bonds, notes, certificates of participation, commercial paper or other evidences of indebtedness issued or incurred by SCPPA and outstanding pursuant to the provisions of the Indenture to finance or refinance the Cost of Acquisition and any Capital Improvements, including any prepayment for Guaranteed Generation pursuant to the Power Purchase Agreement or by other means, and, where applicable, the purchase of the Facility or any part, portion or component thereof.

Bonds shall include but not be limited to the bonds, notes, certificates of participation, commercial paper or other evidences of indebtedness issued or incurred by SCPPA to finance prepaid energy or purchase of the Facility or bonds, notes, certificates of participation, commercial paper or other evidences of indebtedness issued to redeem or refund such bonds, notes, certificates of participation, commercial paper or evidences of indebtedness, and any and all other obligations which SCPPA issues or incurs relating to the Project. Bonds shall also include any additional Bonds authorized by the Indenture or any supplement thereto and issued or incurred pursuant to the provisions of Section 13.2 of the Power Sales Agreements and any refunding of Bonds issued pursuant to the provisions of Sections 13.3 or 13.5 thereof.

- 10. <u>Burbank</u>. The City of Burbank, a California municipality.
- 11. <u>Capacity Rights</u>. "Capacity Rights" shall have the definition set forth in the Power Purchase Agreement.
- Capital Improvements. Any unit of property, property right, land or land right which is a replacement, repair, addition, improvement or betterment to the Project or any transmission facilities relating to, or for the benefit of, the Project, the betterment of land or land rights or the enlargement or betterment of any such unit of property constituting a part of the Project or related transmission facilities which is (i) consistent with Prudent Utility Practice and determined necessary and/or desirable by the Board of Directors or (ii) required by any governmental agency having jurisdiction over the Project.
- 13. <u>Commercial Operation</u>. "Commercial Operation" shall have the definition set forth in the Power Purchase Agreement.
- 14. Compliance. A Defaulting Project Participant shall be in compliance with its payment obligations under its Power Sales Agreement during the Cure Period if it (i) no later than the last day of the Cure Period fully pays all amounts owed as reflected in any Default Invoice; (ii) pays any monthly Billing Statement which comes due during the Cure Period; and (iii) replenishes any reduction made to the applicable operating reserve account, Debt Service reserves or other Reserve Fund as a result of any Payment Default.
- 15. <u>Contract Capacity</u>. "Contract Capacity" shall have the definition set forth in the Power Purchase Agreement.
- 16. <u>Coordinating Committee</u>. The Coordinating Committee established in accordance with Section 6 of this Agreement.
- 17. Cost of Acquisition. "Cost of Acquisition" is defined in Section 4.4 of the Power Sales Agreements.
- 18. <u>Cure Period</u>. That period of time beginning on the date of a Payment Default and concluding thirty (30) days thereafter.
- 19. <u>Cured Payment Default.</u> A Payment Default which has been cured in accordance with Section 15.3 of the Power Sales Agreements. If at any time during the Cure Period the Defaulting Project Participant is in Compliance, then the requirements of a Cured Payment Default shall be deemed to have been satisfied as of the date of receipt of such payments by SCPPA and the Cure Period shall expire.
- 20. <u>Date of Firm Operation</u>. The initial date on which the Project can reasonably be expected to operate reliably and continuously after necessary Acquisitions relating to the Project are in place, all as determined by the Coordinating Committee.

- 21. <u>Debt Service</u>: The debt service payable with respect to the Indenture pertaining to any category of Bonds, any Bonds issued pursuant to Section 13 of the Power Sales Agreements, or other applicable series of Bonds, as determined by the context. Debt Service shall also include any payments required to be deposited into the Debt Service Fund under the Indenture to pay, for example, amounts due under any interest rate swap agreements or other derivative agreements.
- 22. <u>Debt Service Fund</u>. The Debt Service Fund or account, or similar fund or account, established by the Indenture to pay Debt Service. The Debt Service Fund shall not included the Debt Service reserve Fund(s).
- Default Invoice. An invoice during the Payment Default Period and the Cure Period issued to a Defaulting Project Participant, concurrently with its monthly Billing Statement, that identifies the total defaulted amount owed, including late payment interest, to achieve a Cured Payment Default. During the Cure Period, the Default Invoice shall also include the amount that must be paid to achieve Compliance.
- 24. <u>Defaulting Project Participant.</u> A Project Participant that causes a Payment Default which has not been remedied and where the Defaulting Project Participant has not effected a Cured Payment Default.
- 25. <u>Delivery Term of the Power Purchase Agreement.</u> The time period for the delivery of energy pursuant to the Power Purchase Agreement as set forth therein.
- 26. Development Work. All work and activities in connection with the development of the Project, including, without limitation, all planning, designing, acquiring (by prepayment, purchase or otherwise), mitigating impacts, constructing, installing, investigating, cost monitoring and control activities, negotiating and administering contracts, purchasing, environmental monitoring, scheduling, protecting, erecting, supervising, expediting inspecting, testing and training activities, recruitment and training of technical, operational and administrative personnel, insuring, accounting, budgeting, public information services and activities, services of consultants and legal counsel, preparing of manuals and reports, and activities relating to securing requisite actions, permits, licenses, approvals and certificates from governmental agencies and authorities.
- 27. <u>Dynamic Scheduling.</u> "Dynamic Scheduling" shall mean the automated scheduling of Energy from the Point of Delivery to Purchaser's control area, provided that said dynamic schedules adjust at four second intervals, or other intervals as specified by WECC, to match the amount of Energy actually delivered to the Point of Delivery from the Facility.
- 28. <u>Energy</u>. "Energy" shall include both Energy and any Replacement Energy, as those terms are defined in the Power Purchase Agreement.
- 29. <u>Environmental Attributes.</u> "Environmental Attributes" shall have the definition set forth in the Power Purchase Agreement.
- 30. <u>Excess Energy</u>. "Excess Energy" shall have the definition set forth in the Power Purchase Agreement.
- 31. <u>Facility</u>. "Facility" means all of the facilities described and defined as the Facility in the Power Purchase Agreement
- 32. <u>Facility Output</u>. The output, rights, and other tangible or intangible benefits derived from the Facility, including without limitation all Energy, Capacity Rights and Environmental Attributes.

- 33. <u>Fiscal Year</u>. The twelve-month period commencing at 12:01 a.m. on July 1 of each year and ending at 12:01 a.m. on the following July 1, or such other time frame as determined by the Coordinating Committee or Board of Directors.
- 34. Force Majeure. "Force Majeure" shall have the definition set forth in the Power Purchase Agreement.
- 35. Fund or Funds. Any fund or account created under the Indenture.
- 36. <u>Guaranteed Generation</u>. "Guaranteed Generation" shall have the meaning provided in the Power Purchase Agreement.
- 37. <u>Indenture Cost Share</u>. "Indenture Cost Share" has the meaning described in Section 4.5 of the Power Sales Agreements.
- 38. <u>Indenture</u>. The indenture of trust, trust agreement and other similar agreements with respect to the Bonds, between SCPPA and the Project Trustee, as from time to time amended and supplemented in conformity with its provisions and of this Agreement. Under such agreements, SCPPA may enter into, or authorize the entering into of, interest rate swap agreements, other derivative agreements, and such other agreements as are authorized or permitted under such agreements.
- 39. <u>Initial Payment Default Date</u>. The earlier of (i) the end of the fifth day following the first Payment Default for which no remedy in payment has occurred and been received by SCPPA, or (ii) the last day of the Month in which the first Payment Default has occurred for which no remedy in payment has occurred and been received by SCPPA.
- 40. <u>Intermountain Power Agency</u>. "Intermountain Power Agency" shall have the definition set forth in the Power Purchase Agreement.
- 41. <u>Internal Revenue Code</u>. The Internal Revenue Code of 1986, as amended.
- 42. <u>Joint Powers Agreement</u>. The "Southern California Public Power Authority Joint Powers Agreement" dated as of November 1, 1980, as amended and modified, entered into pursuant to the provisions of the Act, among SCPPA and its members.
- 43. <u>LADWP</u>. The City of Los Angeles acting by and through the Department of Water and Power.
- 44. <u>Leases and Property Agreements</u>. "Leases and Property Agreements" shall have the meaning set forth in the Power Purchase Agreement.
- 45. <u>Major Contracts</u>. The Project Agreements and, to the extent not finalized or effective on the effective date of an applicable project management agreement, any other contract or agreement so identified by the Coordinating Committee, as such contracts or agreements may be amended or supplemented from time to time.
- 46. Month. A calendar month.
- 47. Monthly Costs. "Monthly Costs" is defined in Section 7.1 of the Power Sales Agreements.
- 48. <u>Milford Wind Corridor Phase I, LLC.</u> Milford Wind Corridor Phase I, LLC, is a limited liability corporation organized and existing under the laws of the State of Delaware, or its successor.
- 49. Operating Budget. The operating budget approved by the Board of Directors, which shall show a detailed estimate of all Project operating costs, including all revenues, income or other funds to be applied to such operating costs, for and applicable to a Power Supply Year.

- Operating Reserve Depletion Date. The date that is two Months prior to the date on which SCPPA anticipates, assuming continued Payment Defaults by one or more Defaulting Project Participants, that the moneys in the operating reserve account of the Indenture will be fully depleted; provided, however, if as of the date on which a Payment Default occurs SCPPA determines that the moneys in the operating reserve account will be fully depleted in less than two Months (or currently are fully depleted) then the Operating Reserve Depletion Date shall be deemed to have occurred when such a Payment Default occurs.
- 51. Operating Cost Component. "Operating Cost Component" is defined in Section 4.7.1 of the Power Sales Agreements.
- Operating Work. All work and activities in connection with the administration, operation and maintenance of the Project, including without limitation, negotiating and administering contracts, planning, mitigating impacts, purchasing, repairing, inspecting, maintaining, investigating and monitoring all aspects of the Project, performing modeling functions, economic analysis, quality control, testing and evaluating, recruitment and training of operating entities and personnel, electric energy and environmental attribute procurement, regulatory efforts, tagging, interconnecting, transmission, dispatching, firming, balancing, exchanging and scheduling activities, supervising, expediting, budgeting, insuring, accounting, tracking, registering, protecting, operating and managing activities, public information services and services of consultants, operators, engineers, contactors and legal counsel, renewals, replacements, reconstruction, and improvements, and activities related to securing requisite permits, franchises, licenses, approvals, entitlements, credits and certificates from governmental agencies and authorities.
- Output Cost Share. For any Power Supply Year and as to any particular Project Participant, the share (expressed as a percentage) set forth in Appendix B of this Agreement (entitled "Schedule of Project Participants Output Entitlement Shares and Output Cost Shares") attributable to such Project Participant with respect to costs, other than financing and refinancing related costs, associated with the Project, as amended from time to time so long as such amendments are in compliance with the Power Sales Agreements and any applicable provisions of the Indenture. Revisions to Appendix B pursuant to Section 15 of the Power Sales Agreements shall be considered an element of the administration of this Power Sales Agreement and shall not require the consent of the Parties hereto.
- 54. Output Entitlement Share. The percentage entitlement of each Project Participant to the Project and Facility Output in any Power Supply Year, as set forth in Appendix B of the Power Sales Agreements (entitled "Schedule of Project Participants Output Entitlement Shares and Output Cost Shares") attributable to such Project Participant, as amended from time to time so long as such amendments are in compliance with the Power Sales Agreements and any applicable provisions of the Indenture. Revisions to Appendix B pursuant to Section 15 of the Power Sales Agreements shall be considered an element of the administration of this Power Sales Agreement and shall not require the consent of the Parties hereto.
- 55. Participants. The Project Participants.
- 56. Pasadena. The City of Pasadena, a California municipality.
- 57. <u>Payment Default</u>. A failure by a Project Participant to pay when due all of its Billing Statement for any Month.
- 58. Payment Default Period. That period of time during which a Payment Default exists.
- 59. <u>Performance Security</u>. "Performance Security" shall have the definition set forth in the Power Purchase Agreement.

- 60. <u>Point of Delivery.</u> The point at which energy is to be delivered to the Project Participants pursuant to the Power Purchase Agreement or, to the extent authorized by or not otherwise inconsistent with the Power Purchase Agreement, as determined by the Coordinating Committee.
- 61. <u>Power Purchase Agreement</u>. The agreement entitled "Power Purchase Agreement between Southern California Public Power Authority and Milford Wind Corridor Phase I, LLC" dated as of March 16, 2007 attached hereto as Appendix F.
- 62. <u>Power Purchase Provider</u>. Milford Wind Corridor Phase I, LLC, as the counterparty to SCPPA under the Power Purchase Agreement, or its successor, or any successor to the rights of Milford Wind Corridor Phase I, LLC under the Power Purchase Agreement or the rights or interests of Milford Wind Corridor Phase I, LLC in the Facility.
- 63. <u>Power Sales Agreement(s)</u>. The Milford Wind Corridor Phase I Project Power Sales Agreements, dated as of October 1, 2007, as they may be amended from time to time, entered into by SCPPA and each of the Project Participants for, among other things, the acquisition of the Output Entitlement Shares.
- 64. Power Supply Year. The Fiscal Year, except that the first Power Supply Year shall begin on the first to occur of (i) the date SCPPA is obligated to pay any portion of the costs of the Project, (ii) the date upon which SCPPA first incurs or accrues costs associated with the issuance of the Bonds, (iii) 90 days before the scheduled date for issuance of the Bonds, (iv) the date of Commercial Operation, or (v) the date of the first delivery of Energy to Purchaser pursuant to this Agreement.
- 65. <u>Prepayment Amount</u>. "Prepayment Amount" shall have the meaning provided in the Power Purchase Agreement.
- 66. Project. The aggregate of rights, liabilities, interests and obligations of SCPPA pursuant to the Power Purchase Agreement, including but not limited to the Facility Output; or, upon acquisition by SCPPA pursuant to Section 11.2 of the Power Sales Agreements, the Facility.
- 67. Project Agreements. Any project management agreement, the Indenture, the Power Sales Agreements, the Power Purchase Agreement, the Security Instruments, the Leases and Property Agreements, other leases, rights of way and other real property arrangements or agreements associated with the Facility, if any, any other Acquisition agreement or agreement for the purchase, procurement, delivery or transportation of Facility Output, including any purchase of the Facility, any joint ownership agreements, any participation agreements, any agreement for scheduling, dispatching, exchanging, tagging, movement or transmission, the agreements to which SCPPA is a party relating to the design, development, administration or operation of the Facility and for placing of the Facility into operation.
- 68. <u>Project Manager</u>. SCPPA or a designee or designees appointed by SCPPA to assist SCPPA to carry out SCPPA's responsibilities under the Power Sales Agreements.
- 69. Project Participant(s). Those entities executing Power Sales Agreements, together in each case with each entity's successors or assigns, identified as "Project Participants" in Appendix B of the Power Sales Agreements (entitled "Schedule of Project Participants Output Entitlement Shares and Output Cost Shares") or Appendix C of the Power Sales Agreements (entitled "Schedule of Project Participants Percentage of Indenture Cost Shares").
- 70. <u>Project Rights</u>. All rights and privileges of a Project Participant under its Power Sales Agreement, including but not limited to its Output Entitlement Share, its right to receive Facility Output from the Facility, and its right to vote on Coordinating Committee matters.

- 71. <u>Project Rights and Obligations</u>. Purchaser's Project Rights and obligations under the terms of this Agreement.
- 72. <u>Project Trustee.</u> The bank or other financial institution at any time serving as trustee under the Indenture.
- 73. <u>Prudent Utility Practice</u>. "Prudent Utility Practice" shall have the meaning provided in the Power Purchase Agreement.
- 74. Renewable Electric Energy Resource Project. The aggregate of SCPPA's endeavors to acquire renewable energy and capacity and to facilitate acquisition of renewable electric generation and the means to deliver such generation either by way of the development agreement for the Renewable Electric Resource Project as described in Section 2.7 of the Power Sales Agreements.
- 75. Reserve Fund(s). Those reserve accounts deemed appropriate to afford a reliable source of funds for the payment obligations of the Project and, taking into account the variability of costs associated with the Project for the purpose of providing a reliable payment mechanism to address the ongoing costs associated with the Project.
- 76. <u>Security Instruments</u>. All instruments, agreements or conveyances entered into to secure the performance of Milford Wind Corridor Phase I, LLC under the Power Purchase Agreement or any lease or right of way used by or affecting the Facility, including without limitation the Security Interest (as defined in the Power Purchaser Agreement).
- 77. Step-Up Invoice. An invoice sent to a non-Defaulting Project Participant as a result of one or more Payment Defaults, which invoice shall separately identify any amount owed with respect to the monthly Billing Statement of one or more Defaulting Project Participants for, as the case may be, pursuant to Section 15.9.1 or 15.9.2 of the Power Sales Agreements, either the Indenture cost component of the Defaulting Project Participant(s) unpaid monthly Billing Statement or the Total Monthly Costs reflected in the Defaulting Project Participant(s) unpaid monthly Billing Statement.
- 78. Study Project. "Study Project" has the meaning provided in the Joint Powers Agreement.
- 79. <u>Supplementary Services</u>. Those services in connection with the delivery of Energy involving additional transmission, interconnection arrangements, energy management, firming, energy balancing, dispatching, tagging, scheduling, Dynamic Scheduling, transmitting, interconnecting, swapping, exchanging or other services associated with the transmission, use or disposition of Facility Output to be utilized by the Project Participants and to otherwise provide for delivery and facilitate the disposition, movement, taking, receiving, accounting for, transferring and crediting the ownership and transfer of Facility Output from the Point of Delivery to any other points or destinations, as determined by the Project Participants.
- 80. <u>Supplemental Services cost component</u>. "Supplemental Services cost component" is defined in Section 4.7.2 of the Power Sales Agreements.
- 81. <u>Total Monthly Costs.</u> "Total Monthly Costs" has the meaning described in Section 4.7 of the Power Sales Agreements.
- 82. <u>Uncontrollable Forces</u>. Any Force Majeure event and any cause beyond the control of any Party, and which by the exercise of due diligence such Party is unable to prevent or overcome, including but not limited to, failure or refusal of any other person or entity to comply with then existing contracts, an act of God, fire, flood, explosion, earthquake, strike, sabotage, pestilence, an act of the public enemy (including terrorism), civil or military authority including court orders, injunctions and orders of

governmental agencies with proper jurisdiction or the failure of such agencies to act, insurrection or riot, an act of the elements, failure of equipment, a failure of any governmental entity to issue a requested order, license or permit, inability of any Party or any person or entity engaged in work on the Project to obtain or ship materials or equipment because of the effect of similar causes on suppliers or carriers, or inability of SCPPA to sell or issue its Bonds. Notwithstanding the foregoing, Uncontrollable Forces as defined herein shall also include events of Force Majeure pursuant to the Power Purchase Agreement, as defined therein.

83. <u>WECC</u>. The Western Electricity Coordinating Council, or its successor.