

**AMENDMENT NO. 1**  
**TO ELECTRIC SERVICE AGREEMENT**  
**BETWEEN ROCKY MOUNTAIN POWER AND US MAGNESIUM LLC**

This Amendment No. 1 to Electric Service Agreement between Rocky Mountain Power and US Magnesium LLC (“Amendment”) is made and entered into effective as of the \_\_\_ day of \_\_\_\_\_, 2012. This Amendment amends the Electric Service Agreement (“ESA”) dated August 19, 2009, by and between PacifiCorp, an Oregon corporation doing business in Utah as Rocky Mountain Power (“Seller”) and US Magnesium LLC (“Purchaser”), a Delaware corporation having a place of business within the State of Utah and located within Tooele County. Terms used in this Amendment with initial capitalization and not defined herein shall have the meaning provided in the ESA.

**RECITALS:**

A. Pursuant to the ESA, Seller agreed to sell and Purchaser agreed to purchase interruptible electric power and energy for Purchaser’s Tooele Plant.

B. Sections 3.7 and 3.8 of the ESA included non-standard payment terms. In light of changed circumstances, Purchaser’s payment history and Purchaser’s current credit status, the parties agree to amend Sections 3.7 and 3.8 of the ESA as reflected below.

**AMENDMENT**

1. For good and valuable consideration, the Parties hereby agree to amend Sections 3.7 and 3.8 of the ESA by deleting them in their entireties and replacing them as follows:

3.7 **Payments.** All bills shall be paid by the date specified on the bill, and late charges shall be imposed upon any delinquent amounts. Unless otherwise required Customer may make payments by check, EDI or wire transfer to an account designated by Rocky Mountain Power. The Customer account number must be included with each payment. If Customer disputes any portion of Customer's bill, Customer shall pay the total bill and shall designate the disputed portion. Rocky Mountain Power shall respond to the dispute within sixty (60) days after Customer's notice of dispute. Any refund determined to be due to Customer shall bear interest at the rate then specified by the Commission or, if no rate is specified, the then effective prime rate as established by the Morgan Guaranty Trust Bank of New York.

3.8 **Deposits.** Rocky Mountain Power may request deposits to the extent permitted under the Electric Service Regulations and the Electric Service Schedules. In the event of a default by Customer in any of its obligations under this Agreement, the applicable Electric Service Regulations, or the applicable Electric Service Schedule, Rocky Mountain Power may exercise any or all of its rights and remedies under this Agreement, the Electric Service Regulations, or the Electric Service Schedule and under any applicable laws, rules and regulations with respect to any such deposits.

2. The Parties agree that the current Section 3.11 of the ESA be deleted in its entirety.

3. The Parties agree that the following sections shall be inserted following 3.10.

3.11 **Furnishing Information.** Upon Rocky Mountain Power's request, Customer shall submit its year-end financial statements to Rocky Mountain Power, certified to be true and correct and in accordance with GAAP in all material respects. Customer shall submit such additional information as Rocky Mountain Power may reasonably request from time to time in furtherance of the purposes of this Agreement. Rocky Mountain Power shall keep such information confidential.

3.12 **Accuracy of Information.** Customer represents that all information it has furnished or shall furnish to Rocky Mountain Power in connection with this Agreement shall be accurate and complete in all material respects. Customer also represents that Customer has not omitted and shall not knowingly omit any fact in connection with the information to be furnished under this Agreement, which materially and adversely affects the business, operations, property or condition of the Facility or the obligations of Rocky Mountain Power under this Agreement. Should Rocky Mountain Power base its willingness to enter into any portion of this Agreement or any decision with respect to credit, deposits or any other material matter, on inaccurate information furnished by Customer, Rocky Mountain Power shall have the right to revoke its decision with respect to such matter and modify this Agreement and/or its decision, to reflect the determination

which Rocky Mountain Power would have made had Rocky Mountain Power received accurate information.

4. This Amendment shall not change or affect any other provision of the ESA. Other than as expressly changed by this Amendment, the ESA shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by persons duly authorized as of the date first above written.

PACIFICORP dba ROCKY  
MOUNTAIN POWER

US MAGNESIUM LLC.

By: \_\_\_\_\_

By: \_\_\_\_\_

Name:

Name:

Title:

Title:

Address: 201 S. Main, Suite 2300

Address: 238 North 2200 West

Salt Lake City, UT 84111

Salt Lake City, Utah 84116