

**ADDENDUM NO. 1
TO
POWER PURCHASE AGREEMENT**

This Addendum No. 1 to Power Purchase Agreement, entered into this 22nd day of June, 2016 (Effective Date), is between Lower Valley Energy, Inc., and PacifiCorp, acting in its merchant function capacity. Lower Valley Energy, Inc., and PacifiCorp are referred to collectively as the “Parties.”

RECITALS

- A. Lower Valley Energy, Inc. and PacifiCorp are parties to that Power Purchase Agreement dated June 17, 2014 (PPA);
- B. The PPA expires on September 30, 2016;
- C. The parties desire to extend the term of the PPA for one additional year;
- D. The parties desire to use the applicable rates in Idaho Schedule 37.

NOW THEREFORE, the parties mutually agree as follows:

- 1. Section 2.2 of the PPA is hereby amended as follows:

2.2. Unless earlier terminated as provided herein, this Agreement shall remain in effect until September 30, 2017 (“**Expiration Date**”).

- 2. Section 5.1 of the PPA is hereby amended as follows:

Table 1- Conforming Energy Rates for Upper Facility, Lower Facility and Culinary Facility

Year	Conforming Energy Annual Rate, Upper, Lower, and Culinary (AR_{ce}) \$/MWh
2016	34.06
2017	34.42