

Posted: March 11, 2014

(Redlines reflect differences between the final document posted for the 2012 STP RFP and the final document posted for the 2012 RS Block RFP.)

SCHEDULE 1a to Collateral Annex

OPTION 2

IRREVOCABLE STANDBY LETTER OF CREDIT FORMAT

DATE OF ISSUANCE: _____

[Address]

Re: Credit No. _____

We, _____ (the "Issuing Bank"), hereby establish our Irrevocable Transferable Standby Letter of Credit (the "Letter of Credit") in ~~your~~ favor of (you, the "Beneficiary") for the account of _____ (the ~~"Account Party";~~), for the aggregate amount not exceeding _____ United States Dollars (\$ _____), available to you at sight upon demand at our counters at _____ [designate Issuing Bank's location for presentments] on or before the expiration hereof against presentation to us of one or more of the following statements, dated and purportedly signed by an authorized representative of the ~~beneficiary~~ Beneficiary:

1. "An Event of Default (as defined in the Master Power Purchase and Sale Agreement dated as of _____ between beneficiary [Beneficiary Name] ("Beneficiary") and [Account Party's Name] ("Account Party;"), as the same may be amended (the "Master Agreement")) has occurred and is continuing with respect to Account Party under the Master Agreement and no Event of Default has occurred and is continuing with respect to the ~~beneficiary~~ Beneficiary of this Letter of Credit. Wherefore, the undersigned does hereby demand payment of _____ United States Dollars (\$ _____) [or the entire undrawn amount of the Letter of Credit]"; or

2. "An Early Termination Date (as defined in the Master Power Purchase and Sale Agreement dated as of _____ between beneficiary [Beneficiary Name] ("Beneficiary") and [Account Party's Name] ("Account Party;"), as the same may be amended (the "Master Agreement")) has occurred and is continuing with respect to Account Party under the Master Agreement and no Event of Default has occurred and is continuing with respect to the ~~beneficiary~~ Beneficiary of this Letter of Credit. Wherefore, the undersigned does hereby demand payment of _____ United States Dollars (\$ _____) [or the entire undrawn amount of the Letter of Credit".

This Letter of Credit shall expire on _____.

The amount which may be drawn by you under this Letter of Credit shall be automatically reduced by the amount of any drawings paid by the Issuing Bank. Partial drawings and multiple ~~drawings~~ presentations are permitted hereunder.

We hereby agree with you that documents drawn under and in compliance with the terms and conditions of this Letter of Credit shall be duly honored upon presentation as specified.

This Letter of Credit ~~shall be governed by the Uniform Customs and Practice for Documentary Credits, 2007 Revision, is subject to International Standby Practices (ISP98), International Chamber of Commerce ("ICC") Publication No. 600 590, or any successor publication thereto (the "UCP"), except to the extent that the terms hereof are inconsistent with the provisions of the UCP. This Standby Letter of Credit shall be deemed to be made under the laws of the State of New York, including but not limited to Articles 14(b), 16(d) and 36 of the UCP, in which case the terms of this Letter of Credit shall govern. Matters not covered by the UCP shall~~ Article 5 of the Uniform Commercial Code, and shall, as to matters not governed by the International Standby Practices (ISP98), be governed by and construed in accordance with the laws of the State of New York, excluding any choice of law provisions or conflict of law principles which would require reference to the laws of any other jurisdiction.

~~With respect to Article 14(b) of the UCP, the Issuing Bank shall have a reasonable amount of time, not to exceed three (3) Business Days following the date of its receipt of documents from the beneficiary, to examine the documents and determine whether to take up or refuse the documents and to inform the beneficiary accordingly. With respect to Article 16(d) of the UCP, the notice required in sub-article 16C must be given no later than the banks' close of business on the third Business Day following the date of presentation.~~

~~Article 36 of the UCP~~

Rule 3.14(a) of the ISP as it applies to this Irrevocable Standby Letter of Credit is hereby modified to provide ~~that in the event of an Act of God, riot, civil commotion, insurrection, war or any other cause beyond our control that interrupts our business (collectively, an "Interruption Event") and causes~~ as follows:

If on the last Business Day for presentation the place for presentation of stated in this Letter of Credit to be is for any reason closed for business on, then the last day for presentation, the expiry date of this Letter of Credit will be is automatically extended ~~without amendment to a date to the day occurring thirty (30) calendar days after the place for presentation reopens for business. Article 36~~

Rule 3.14(a) of the UCPISP as it applies to this Irrevocable Standby Letter of Credit is hereby further modified to provide that any alternate place for presentation that we designate must be located in the United States.

We, the Issuing Bank, hereby certify that as of the Date of Issuance of this Irrevocable Standby Letter of Credit our Senior Unsecured Debt is rated "A" or better by Standard and Poor's ("S&P"), "A2" or better from Moody's Investors Service ("Moody's"), and if rated by Fitch Ratings ("Fitch"), "A" or better by Fitch. We hereby

certify that our Senior Unsecured Debt is rated by at least two of S&P, Moody's, and Fitch.

As used herein, the term "Business Day" means any day on which Federal Reserve Banks and Branches are open for business, such that payments can be effected on the Fedwire system.

This Letter of Credit, except as expressly stated herein, is transferable, in whole but not in part in accordance with the procedures in UCP 600 through ICC Publication No. 590. Any transfer request must be presented to us with the submission of a Letter of Full Transfer substantially in the attached form of (Exhibit A, but) together with the original Letter of Credit and original amendments, if any. Transfers to designated foreign nationals and /or specially designated nationals are not permitted as being contrary to the U.S. Treasury Department or foreign assets control regulations.

Except for the transfer, this letter of credit otherwise may not be amended, changed or modified without the express written consent of the ~~beneficiary~~ Beneficiary, the Issuing Bank, and the Account Party.

~~———— This Letter of Credit may not be transferred to any person with which U.S. persons are prohibited from doing business under U.S. Foreign Assets Control Regulations or other applicable U.S. Laws and Regulations.~~

We will not make any payment under this Letter of Credit (1) to any entity or person who is subject to the sanctions issued by the United States Department of Commerce, or to whom payment is prohibited by the foreign asset control regulations of the United States Department of the Treasury, or (2) which otherwise is in contravention of United States laws and regulations.

[The Issuing Bank may add specific contact or additional information or administrative-only comments at this point. However, such comments shall not create or alter any rights that vary from the above language].

[BANK SIGNATURE]