

Final 09/30/11

FIRST AMENDMENT TO
WIND ENERGY PURCHASE AGREEMENT

This First Amendment (this "First Amendment") to Wind Energy Purchase Agreement is entered into as of September 30, 2011, by and between Prairie Rose Wind, LLC, a Minnesota limited liability company ("Seller"), and Northern States Power Company, a Minnesota corporation ("Company") (individually, a "Party" and collectively, the "Parties"). Unless otherwise defined herein, capitalized terms shall be given their respective meanings as set forth in the PPA.

Recitals

WHEREAS, the Parties entered into that certain Wind Energy Purchase Agreement (the "PPA") on June 7, 2011; and

WHEREAS, Company is seeking MPUC Approval of the PPA; and

WHEREAS, Seller is in negotiations for an Interconnection Agreement and has requested that MISO prepare a "provisional interconnection agreement" pursuant to Section 11.5 of Attachment X of the MISO Tariff under the circumstances; and

WHEREAS, the Parties have agreed to this First Amendment to clarify the Parties' obligations under the PPA with respect to any such provisional interconnection agreement entered into by Seller for the Facility and to make such other amendments as agreed to by the Parties.

Agreement

NOW, THEREFORE, in consideration of the mutual agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Amendment to the Definition of "Interconnection Agreement". The definition of "Interconnection Agreement" in the PPA shall be amended by deleting the last sentence of such definition and replacing it with the following:

"For the avoidance of doubt, "Interconnection Agreement" may include a provisional interconnection agreement in force and effect pursuant to Section 11.5 of Attachment X of the MISO OATT, provided, however, that the Parties acknowledge the provisions of Section 8.2(C)(5) shall apply at any time that a provisional Interconnection Agreement is in force and effect."

2. Amendment to the Definition of "Interconnection Point". The definition of "Interconnection Point" in the PPA shall be amended by deleting the words "Split Rock 345kV substation." and replacing them with "115kV bus of the Split Rock substation."

3. **Amendment to Section 5.1(B)**. Section 5.1(B) of the PPA is amended by deleting the words "Split Rock 345kV substation," and replace them with "115kV bus of the Split Rock substation,".

4. **Amendment to Section 6.1(B)**. Section 6.1(B) of the PPA is deleted in its entirety and replaced with the following:

"(B) The PPA has been filed for MPUC Approval.

(C) This First Amendment shall be subject to MPUC approval along with the PPA. Company shall file this First Amendment in the same docket in which the MPUC is considering the PPA and request that the MPUC approve the PPA as amended by this First Amendment.

(D) Either Party shall have the right to terminate this PPA and the First Amendment, without any further financial or other obligation to the other Party as a result of such termination, by notice to such other Party at any time after the earlier of (i) ten (10) Days following receipt of a written order from the MPUC, or (ii) one hundred twenty (120) Days following the original filing date of this PPA, the First Amendment and the Option Agreement to open a docket with the MPUC, stating that Company has been unable to obtain MPUC Approval without conditions unsatisfactory to the Parties, or that the MPUC has not yet issued a non-appealable order within one hundred twenty (120) Days following Company's filing of this PPA and the Option Agreement. Absent such notice of termination by a Party on or before the referenced date, such Party shall be deemed to have waived its rights under this Section, and this PPA shall remain in full force and effect thereafter."

5. **Amendment to Section 6.3**. Section 6.3 of the PPA is amended by deleting the words "July 31, 2011" from the fourth line thereof and replacing such words with "September 30, 2011".

6. **Amendment to Section 8.2(A)**. Section 8.2(A) of the PPA is amended by adding a new subsection (4) at the end of such section as follows:

"4. For purposes of this PPA, any curtailment of Renewable Energy from the Facility arising out of reduction or elimination of interconnection service to the Facility pursuant to the Interconnection Agreement arising out of or caused by Company's failure to displace the energy produced by the Angus Anson Plant as required by Section 5.1(A)(6) of the PPA, to the extent that the reduction or curtailment was caused by the combined energy output of the Facility and the Angus Anson Plant to exceed the maximum threshold of 392 MW set forth in the Interconnection Agreement, and pursuant to the terms and provisions of the Interconnection Agreement, shall be deemed to be Curtailment Energy."

7. **Amendment to Section 8.2(C)**. Section 8.2(C) of the PPA is amended by adding new subsection (5) at the end of such section as follows:

“(v) or, except for any curtailment arising under Section 8.2(A)(4), any curtailment arising out of reduction or elimination of interconnection service to the Facility for any reason in accordance with the terms of a provisional Interconnection Agreement and for the period of time any such provisional Interconnection Agreement is in force and effect.”

8. Amendment to Article 12. A new Section 12.13 of the PPA is hereby added to the end of Article 12 and shall read as follows:

“12.13. Seller Termination Right.

(A) Notwithstanding anything to the contrary contained herein, in the event that FERC denies or otherwise does not approve the Interconnection Agreement for the project designated as J183 in the MISO Queue, then Seller shall have the right to terminate this PPA upon written notice to Company. Such right of Seller shall terminate upon the earlier of (i) the date that is five (5) Business Days following Seller’s receipt of FERC’s written notice of its final denial or nonapproval of such Interconnection Agreement or (ii) December 31, 2011.

(B) As consideration for the right to terminate this PPA pursuant to this Section and effective upon and after the exercise of any such termination:

(1) Seller forever relinquishes and disclaims any and all right, title and interest it has or may have had in and to this PPA or any other right to sell any power generating facility or electricity to Company; and

(2) Seller further completely and unconditionally releases and forever discharges Company, Company’s officers, directors, agents, employees, affiliates, successors and assigns, and the Interconnection Provider, from any and all past or present claims, arbitrations, demands, obligations, actions, damages, promises, agreements, costs, losses, expenses, and compensation of any nature and from whatever source in law or equity, whether contingent or fixed, known or unknown, suspected or unsuspected, liquidated or unliquidated, whether based on tort, contract, or any other theory of recovery, and whether for compensatory, punitive, statutory, or any other damages, which Seller or its officers, directors, agents, employees, successors, affiliates, investors or assigns now have or may have, arising or accruing on or before the date hereof, in any way related to Seller’s efforts to own, operate, construct, sell or develop an electric generating facility, sell electricity or a generating project to Company, enter into any contract with Company, or the PPA, and any other dealings between the Parties whatsoever, occurring at any time prior to the date hereof. Seller hereby further agrees not to bring any suit, arbitration, or other claim on any matter which has been released hereby and further agrees not to assign, sell, transfer or hypothecate any such claim to any other person. If Seller (or its assignee or successor) hereafter brings any suit, arbitration, or other claim against a released party for any matter released hereby, Seller shall be liable to Company for all damages

caused thereby, together with reasonable attorneys' fees and other costs incurred by Company in defending or otherwise responding to said suit, arbitration, or claim.

9. **Full Force and Effect.** Except as amended by this First Amendment, the PPA and exhibits thereto are ratified and confirmed in each and every respect, and the PPA continues to be in full force and effect.

10. **Counterparts.** This First Amendment may be executed in two or more counterparts, each of which shall constitute an original but all of which, when taken together, shall constitute one and the same First Amendment.

11. **Governing Law.** This First Amendment shall be governed by and interpreted in accordance with the laws of the State of Minnesota applicable to contracts made and to be performed in the State of Minnesota.

[Signatures follow on the next page.]

IN WITNESS WHEREOF, the Parties have duly and validly executed this First Amendment to the Wind Energy Purchase Agreement effective as of the date first set forth above.

Seller:

Prairie Rose Wind, LLC

By: 

Blake Nixon
President

Company:

Northern States Power Company

By: 

Tim Kawakami
Director – Purchased Power
Xcel Energy Services Inc. as agent
for Northern States Power Company