

## FORM OF LETTER OF CREDIT

[DATE]

Beneficiary:

San Diego Gas & Electric Company  
Attn: Commercial & Credit Risk  
8326 Century Park Court, CP21D  
San Diego, CA 92123

Applicant: \_\_\_\_\_

Issuer: \_\_\_\_\_

Amount: Not exceeding USD

(Not exceeding \_\_\_\_\_ US Dollars)

Expiration Date: \_\_\_\_\_, 20XX

We hereby open our irrevocable standby Letter of Credit Number \_\_\_\_\_ in favor of San Diego Gas & Electric Company ("Beneficiary"), by order and for account of [insert counterparty name exactly as it appears on the underlying contract], a [insert State and corporation or limited liability company] ("Applicant"), available at sight upon demand at our counters, at \_\_\_\_\_ for an amount of US\$ \_\_\_\_\_ ( ) against presentation one of the following documents:

- 1- Statement signed by a person purported to be an authorized representative of Beneficiary stating that: "San Diego Gas & Electric Company ("Beneficiary") is entitled to draw under this Letter of Credit in accordance with the California Independent System Operator Corporation's Generator Interconnection and Deliverability Allocation Procedures Tariff pertaining Queue Position XXXXX or under any subsequent [insert either "Large Generator Interconnection Agreement" or "Small Generator Interconnection Agreement"] between Beneficiary, the California Independent System Operator Corporation, and Applicant as may be amended from time to time or any other agreement now or hereinafter entered into by Beneficiary and Applicant (whether by failure to perform or pay any obligation thereunder or by occurrence of a "default", "event of default" or similar term as defined in such agreement, any other agreement between Beneficiary and Applicant, or otherwise). The amount due to Beneficiary is US \$ \_\_\_\_\_."

or

- 2- Statement signed by a person purported to be an authorized representative of Beneficiary stating that: "as of the close of business on \_\_\_\_\_ [insert date, which is less than 30 days prior to the expiration date of the Letter of Credit] you have provided written notice to us indicating your election not to permit extension of this Letter of Credit beyond its current expiry date. The amount due to Beneficiary, whether or not a default has occurred, is U.S. \$ \_\_\_\_\_."

Special Conditions:

- All costs and banking charges pertaining to this Letter of Credit are for the account of Applicant.
- Partial and multiple drawings are permitted.
- Fax of Document 1 or 2 above acceptable.

We hereby engage with Beneficiary that upon presentation of a document as specified under and in compliance with the terms of this Letter of Credit, this Letter of Credit will be duly honored in the amount stated in Document 1 or 2 above. If a document is so presented by 1:00 pm on any California banking day, we will honor the same in full in immediately available California funds on that day and, if document is so presented after 1:00 pm on a California banking day, we will honor the same in full in immediately available funds no later than 3:00 pm on the second California banking day thereafter.

It is a condition of this Letter of Credit that it shall be deemed automatically extended without an amendment for a one year period beginning on the present expiry date hereof and upon each anniversary of such date, unless at least ninety (90) days prior to any such expiry date we have sent you written notice by regular and registered mail or courier service that we elect not to permit this Letter of Credit to be so extended beyond, and will expire on its then current expiry date. No presentation made under this Letter of Credit after such expiry date will be honored.

We agree that if this Letter of Credit would otherwise expire during, or within 30 days after, an interruption of our business caused by an act of god, riot, civil commotion, insurrection, act of terrorism, war or any other cause beyond our control or by any strike or lockout, then this Letter of Credit shall expire on the 30th day following the day on which we resume our business after the cause of such interruption has been removed or eliminated and any drawing on this Letter of Credit which could properly have been made but for such interruption shall be permitted during such extended period.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision) International Chamber of Commerce, Publication No. 600 ("UCP"), except to the extent that the terms hereof are inconsistent with the provisions of the UCP, including but not limited to Articles 14(b) and 36 of the UCP, in which case the terms of this Letter of Credit shall govern. Matters not covered by the UCP shall be governed and construed in accordance with the laws of the State of California.

[Name of Bank]

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Authorized Signature(s)