

Mayor Reid then moved for introduction of Ordinance No. 1274 - Ordinance of the City Council of the City of Lodi Authorizing the issuance of Notes by Northern California Power Agency (Geothermal Generating Project No. 3). The motion was seconded by Council Member Snider and carried by the following vote:

ORD. NO. 1273, 1274,
1275, and 1276
INTRODUCED

Ayes: Council Members - Murphy, Olson, Snider, and Reid (Mayor)

Noes: Council Members - Pinkerton

Absent: Council Members - None

Mayor Reid then moved for introduction of Ordinance No. 1276 - An Ordinance of the City Council of the City of Lodi approving the terms and conditions of amendment No. Two to the Member Agreement (Second Phase) for Financing and Development Activities of the Shell East Block Geothermal Project between Northern California Power Agency and Certain Participating Members, and Authorizing the Execution of and Delivery of said Amendment by Officers of the City of Lodi. The motion was seconded by Council Member Olson, and carried by the following vote:

Ayes: Council Members - Murphy, Olson, Snider, and Reid (Mayor)

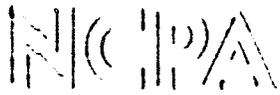
Noes: Council Members - Pinkerton

Mayor Reid then moved for introduction of Ordinance No. 1275 - Ordinance of the City Council of the City of Lodi authorizing the issuance of Public Power Revenue Refunding Bonds by the Northern California Power Agency. The motion was seconded by Council Member Olson and carried by the following vote:

Ayes: Council Members - Murphy, Olson, Snider and Reid (Mayor)

Noes: Council Members - Pinkerton

Absent: Council Members - None



Northern California Power Agency

8421 Auburn Boulevard, Suite 160 Citrus Heights, California 95610

ROBERT E. GRIMSHAW
General Manager

(916) 722-7815

September 1, 1982

RECEIVED

1982 AUG 33 PM 3: 21

ALICE M. REIMCHE
CITY CLERK
CITY OF LODI

TO: Shell Project No. 3 (East Block) Participants
City of Palo Alto
City of Redding

FROM: Gail Sipple

SUBJECT: Four Ordinances Relating to the Shell No. 3 Project

Per Commission action of August 26, enclosed are four ordinances to be submitted to your governing body for approval. Also enclosed is a "Description of Legal Steps Required to Finance the East Block Project", which was requested by the Commission.

Please note that attached to ordinances marked 1 through 3 there is a "Notice of Ordinance Subject to Referendum" (Notice of Adoption) for your use. However, ordinance marked No. 4 does not require a "formal" Notice of Adoption and Bond Counsel informs me that members should just follow their normal notice procedure.

Although the law states that only participating project members must approve these ordinances, Bond Counsel has stated that Palo Alto and Redding should also approve ordinances marked No. 1 through No. 3 since they may become participating members at a later date.

Upon approval of ordinances marked 1 through 3, please submit to me the following:

1. An executed copy of each ordinance.
2. Proof of publication of each ordinance.
3. Proof of publication of the Notice of Adoption.
4. A certified copy of the minutes adopting the ordinances.

Note: If you publish the Notice of Adoption in a daily newspaper the Notice has to run for 5 consecutive days. However, if you publish in a weekly paper the Notice must be run once for 2 consecutive weeks.

Upon approval of the ordinance marked No. 4, please submit to me the following:

1. An executed copy of the ordinance.
2. An executed copy of Amendment No. 2 to the Second Phase Agreement
3. Proof of publication of the ordinance.
4. A certified copy of the minutes adopting the ordinance.

By copy of this letter I am also forwarding these documents to your City Clerk for processing. If you have any questions, please contact me.

Yours truly,



BAIL SIPPLE
Executive Assistant

cc: City Clerk

October 7, 1982

Mr. Robert E. Grimshaw
General Manager
Northern California Power Agency
8421 Auburn Blvd., Suite 160
Citrus Heights, CA 95610

Dear Mr. Grimshaw: NCPA 3 Project, Lodi Participation

This is in response to your letter of August 31, 1982, in which you indicated that the license for Project #3 has been increased from 55 MW to 110 MW. Lodi's participation in this project has been 18.316 percent.

At its regularly scheduled meeting of October 6, 1982, the Lodi City Council, in recognition of the above increase, decided to reduce the City's participation in Project #3 to 9.158 percent, thus retaining its entitlement to 10,074 MW.

Please consider this an official notification of Lodi's decision to reduce its percentage participation in Project #3, as indicated.

Respectfully,

FRED M. REID
Mayor

u 106

CITY COUNCIL

FRED M. REID, Mayor
ROBERT G. MURPHY,
Mayor Pro Tempore
EVELYN M. OLSON
JAMES W. PINKERTON, Jr.
JOHN R. (Randy) SNIDER

CITY OF LODI

CITY HALL, 221 WEST PINE STREET
POST OFFICE BOX 320
LODI, CALIFORNIA 95241
(209) 334-5634

HENRY A. GLAVES, Jr.
City Manager
ALICE M. REIMCHE
City Clerk
RONALD M. STEIN
City Attorney

October 12, 1982

Ms. Gail Sipple
NCPA
8421 Auburn Blvd.
Suite 160
Citrus Heights, CA 95610

Subject: Shell 3 Project

Please be advised that the Lodi City Council took the following actions at the October 6, 1982 meeting relating to the Shell 3 Project.

- a) Adopted Resolution 82-112 indicating the City's percentage participation in the Shell 3 project. A certified copy of Resolution 82-112 is attached.**
- b) Council introduced the four ordinances relating to the Shell No. 3 Project included in your September 1, 1982 letter.**

Following adoption of the ordinances, the information included in your September 1, 1982 letter will be provided.

Very truly yours,

Alice M. Reimche
Alice M. Reimche
City Clerk

AMR:jj
Enc.

RESOLUTION NO. 82-112

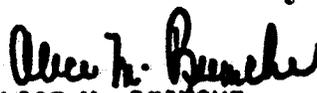
RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF LODI INDICATING THE CITY OF LODI'S PERCENTAGE
PARTICIPATION IN THE NORTHERN CALIFORNIA POWER
AGENCY SHELL NO. 3 PROJECT

RESOLVED that the City Council of the City of Lodi does
hereby establish its percentage participation in the Northern
California Power Agency Shell No. 3 project at 9.158 percent,
thus retaining its entitlement to 10.074 MW.

Dated: October 6, 1982

I hereby certify that Resolution No. 82-112 was duly
and regularly passed and adopted by the City Council
of the City of Lodi in a regular meeting held
October 6, 1982

Ayes: Council Member - Olson, Snider, Murphy,
and Reid
Noes: Council Member - Pinkerton
Absent: Council Member - None


ALICE M. REIMCHE
City Clerk

(K-4)

The \$130 million Refunding Bond Ordinance would allow NCPA to advance refund the \$55 million outstanding Shell Project #2 Bonds and/or the DOE loan for either interest rate savings or legal defeasance.

NCPA cannot practically issue debt unless it has a take-or-pay commitment (Member Agreement) from the Participants in the project being financed to secure the debt. The only outstanding Member Agreement for the East Block Project is the East Block Second Phase Agreement which is currently limited to \$5.5 million and is pledged to secure a \$5.5 million bank loan from Continental Illinois National Bank and Trust Company. The proposed \$30 million Amendment to the East Block Second Phase Agreement would provide the security to allow NCPA to borrow \$30 million to repay the \$5.5 million bank loan and fund construction costs and interest during construction of the East Block Project through December, 1983.

NCPA estimates that the remaining proceeds of the \$5.5 bank loan will fund the costs of the East Block Project through December, 1982. Thus, NCPA must move quickly to secure more interim funding or the East Block Project will be delayed.

REMAINING LEGAL STEPS

To permanently finance the East Block Project, NCPA and the Participants will need to pass Third Phase Member Agreements, determine each Participant's East Block Project percentage participation and decide on a final plan regarding sharing of steam between Shell Project #2 and the East Block Project.

Accomplishing these remaining steps as soon as possible will strengthen NCPA's position to negotiate the most advantageous plan of finance for the East Block Project.

K-4

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|---------------------|--|
| \$150 million | Construction Costs Including Interest During Construction of the 110 MW East Block Project |
| \$ 50 million | Construction Costs Including Interest During Construction of New Transmission which NCPA Might Build Jointly with PG&E |
| \$ 10 million | NCPA's Share of Costs of a Possible Joint Chemical Disposal Facility in the Geysers |
| \$ 10 million | NCPA's Share of Costs of a Possible Joint Maintenance Facility in the Geysers |
| \$ 5 million | Cost of a Possible NCPA Buy-In of PG&E Transmission Facilities |
| \$ 25 million | Contingencies |
| \$ 50 million | Bond Reserves and Financing Expenses |
| <hr/> \$300 million | TOTAL |

The above costs have all been estimated conservatively.

The East Block Project will require geothermal steam from both the East Block and the Primary Area. NCPA Shell Project #2 currently has a first call on steam in both areas. To allow the financing of the East Block Project at reasonable terms, it might be advisable or necessary to advance refund the DOE loan and/or the \$55 million outstanding Shell Project #2 Bonds to defease the legal covenants which create Shell Project #2's prior lien on steam.

It also might be economical from an interest saving standpoint to advance refund the DOE loan and/or the \$55 million outstanding Shell Project #2 Bonds.



DESCRIPTION OF LEGAL STEPS REQUIRED TO FINANCE THE EAST BLOCK PROJECT

At the August NCPA Commission meeting, the Commission approved release to the Participants of the following four Ordinances relating to the East Block Project:

Description

- (1) \$300 Million Note Ordinance
- (2) \$300 Million Bond Ordinance
- (3) \$130 Million Refunding Bond Ordinance
- (4) \$30 Million Amendment to Second Phase Agreement

Under California Law, NCPA cannot issue debt for a project unless the Participants in the project have each approved an Ordinance authorizing the issuance of such debt. NCPA would like the flexibility to finance the East Block Project and those facilities related to it with either bonds, bond anticipation notes, bank loans, tax-exempt commercial paper or demand notes. The \$300 million Bond Ordinance and \$300 million Note Ordinance provide NCPA with the flexibility to use any of these financing options.*/
The estimated \$300 million is broken out as follows:

*/
NCPA would like the flexibility to temporarily finance the entire Project with tax exempt commercial paper or bond anticipation notes backed by a bank's irrevocable letter of credit. The final terms and conditions of any NCPA debt are subject to Commission approval.

#1
[Note: This Ordinance to be adopted before Notes Ordinance.]

ORDINANCE NO. _____

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF _____ AUTHORIZING THE ISSUANCE OF PUBLIC POWER REVENUE BONDS BY NORTHERN CALIFORNIA POWER AGENCY (GEOTHERMAL GENERATING PROJECT NUMBER 3).

WHEREAS, pursuant to the provisions of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"), the City of _____ and certain other public agencies created pursuant to the laws of the State of California (collectively, the "Members"), have entered into a Joint Powers Agreement, as amended (the "Agreement"), creating the Northern California Power Agency (the "Agency"), a public entity separate and apart from the Members; and

WHEREAS, in accordance with the Agreement and the Joint Powers Act, the Agency has entered or will enter into agreements to acquire and construct (or to cause to be acquired and constructed) a project for the generation and transmission of electric energy consisting of two 55 megawatt geothermal generating units and related facilities, including transmission, proposed to be constructed in Sonoma and Lake Counties, State of California, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto, including, without limitation, such interest in the Agency's Geothermal Generating Project Number 2, as the Agency may determine (the "Project"); and

WHEREAS, the Agency proposes to issue, in accordance with the Agreement and the Joint Powers Act, from time to time, in one or more installments, its revenue bonds and evidences of indebtedness (including refunding bonds) ("Public Power Revenue Bonds") to be outstanding at any one time in accordance with their terms in the estimated maximum aggregate principal amount of \$300,000,000, for the purpose of providing funds for the acquisition, construction and financing of the Project; and

WHEREAS, the Agency also proposes to issue its notes and other evidences of indebtedness (including renewal notes) ("Notes") for the purpose of financing studies, the acquisition of options, permits, and other preliminary costs to be incurred prior to the undertaking of the construction or acquisition of the Project and for the purpose of providing temporary financing of costs of acquisition and construction of the Project; and

WHEREAS, notwithstanding the aforesaid estimated maximum aggregate principal amount of Public Power Revenue Bonds proposed to be issued by the Agency for the Project and to be outstanding at any one time in accordance with their terms, additional Public Power

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Revenue Bonds may be required to complete the financing of the Project; and

WHEREAS, the Agency has entered or will enter into one or more agreements (the "Member Agreements") with certain entities (including two or more of the Members), pursuant to which the entities entering into such Member Agreements with the Agency (the "Participants") will, in the aggregate, purchase options and/or rights to purchase and/or receive 100% of the capacity and energy of the Project; and

WHEREAS, the Public Power Revenue Bonds are to be payable from funds held in trust for the benefit of the holders of such Bonds and from revenues of the Agency from the Project, including payments to be made by the Participants under the Member Agreements; and

WHEREAS, the Notes are to be payable from proceeds of renewal Notes and the proceeds of the Public Power Revenue Bonds and, to the extent not so paid, may be payable from revenues of the Agency from the Project, including payments to be made by the Participants under the Member Agreements; and

WHEREAS, in accordance with the Joint Powers Act, the exercise by the Agency of its power to issue the Public Power Revenue Bonds is subject to the authorization of such issuance by the Members pursuant to Ordinance; and

WHEREAS, neither the payment of principal of the Public Power Revenue Bonds nor any part thereof nor interest thereon shall constitute a debt, liability or obligation of the City of _____; nor does this Ordinance commit the City of _____ to take or pay for any capacity or energy of the Project.

NOW, THEREFORE, the City Council of the City of _____ does ordain as follows:

1. The issuance and sale by the Agency, from time to time, in one or more installments, of its Public Power Revenue Bonds outstanding at any one time in accordance with their terms in a maximum aggregate principal amount of \$300,000,000 is hereby authorized. Notwithstanding such maximum aggregate principal amount, the Agency is hereby authorized to issue additional principal amounts of its Public Power Revenue Bonds if and to the extent required to complete the financing of the Project. The proceeds from the sale of the Public Power Revenue Bonds hereby authorized are to be used for the acquisition, construction and financing of the Project, including interest on such Bonds and deposits to reserves, and to pay the principal, premium, if any, and interest on the Notes of the Agency when due. The Public Power Revenue Bonds hereby

K-4

authorized, and premium and interest thereon, are to be payable from, and secured by, funds held in trust for the benefit of the holders of Public Power Revenue Bonds and from revenues of the Agency from the Project, including payments received by the Agency from the Participants under the Member Agreements.

2. Pursuant to Section 6547 of the Joint Powers Act, this Ordinance is subject to the provisions for referendum prescribed by Section 3751.7 of the Elections Code of the State of California.

3. The City Clerk shall certify to the enactment of this Ordinance and shall cause notice of the same to be published in accordance with Section 6040.1 of the Government Code of the State of California.

4. Sixty (60) days from and after its enactment, this Ordinance shall take effect and be in full force, in the manner provided by law.

THE FOREGOING ORDINANCE is approved, enacted and adopted by the City Council of the City of _____, this _____ day of _____, 1982.

ATTEST:

K-4

NOTICE OF ORDINANCE SUBJECT TO REFERENDUM
CITY OF _____
ORDINANCE NO. _____
ADOPTED BY THE CITY COUNCIL OF THE CITY OF _____
ON _____, 1982

Notice is hereby given that at a regular meeting of the City Council of the City of _____ (the "City Council"), held on _____, 1982, Ordinance No. _____ (the "Ordinance") was adopted. The title and a summary of the Ordinance are set forth below. The Ordinance is subject to referendum, as discussed below.

Title

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF _____
AUTHORIZING THE ISSUANCE OF PUBLIC POWER REVENUE BONDS BY NORTHERN CALIFORNIA POWER AGENCY (GEOTHERMAL GENERATING UNITS #3 AND #4 PROJECT).

Summary

Pursuant to the Ordinance, the City Council has authorized the issuance and sale by Northern California Power Agency (the "Agency") of its revenue bonds and evidences of indebtedness ("Public Power Revenue Bonds"), to mature on or before December 31, 2022, to be issued, from time to time, in one or more installments, in an estimate aggregate principal amount outstanding at any one time in accordance with their terms of \$300,000,000 and to bear interest at a probable overall rate of 10 1/2 % per annum. The actual interest rates on each installment of such Public Power Revenue Bonds or the method of determining such rates will be determined by the Commission of the Agency in accordance with law at the time of issuance of such installment. Notwithstanding such maximum aggregate principal amount of Public Power Revenue Bonds, the Agency is authorized, pursuant to the Ordinance, to issue additional principal amounts of its Public Power Revenue Bonds if and to the extent required to complete the financing of the Project discussed below.

The Agency was created pursuant to a Joint Powers Agreement, as amended (the "Agreement"), heretofore entered into between the City of _____ and certain other public agencies created pursuant to the laws of the State of California (collectively, the "Members") pursuant to the provisions of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"). The Agency is a public entity separate and apart from the Members. The Agency, in accordance with the Joint Powers Act and the Agreement, has entered or will enter into agreements to acquire and construct (or cause to be acquired and constructed) a project for the generation and transmission of electric energy consisting of two 55 megawatt geothermal generating units and related facilities, including transmission, proposed to be constructed in Sonoma and Lake Counties, State of California, and capital improvements thereto that may be constructed from time to

K-4

time, and interests in certain other property and rights relating thereto, including, without limitation, such interest in the Agency's Geothermal Generating Project Number 2, as the Agency may determine (the "Project"). The Agency has entered or will enter into one or more agreements (the "Member Agreements") with certain entities (including two or more of the Members), pursuant to which the entities entering into such Member Agreements with the Agency (the "Participants") will, in the aggregate, purchase options and/or rights to purchase and/or receive 100% of the capacity and energy of the Project. The City Council heretofore has authorized, by ordinance, the issuance and sale by the Agency of its notes and evidences of indebtedness (including renewal notes) ("Notes") for the purpose of financing studies, the acquisition of options, permits, and other preliminary costs to be incurred prior to the undertaking of the construction or acquisition of the Project and for the purpose of providing temporary financing of costs of acquisition and construction of the Project. The Notes are to be payable from the proceeds of renewal Notes and the proceeds of the Public Power Revenue Bonds authorized by the Ordinance and, to the extent not so paid, may be payable from revenues of the Agency from the Project, including payments to be made by the Participants under the Member Agreements.

Neither the payment of principal of the Public Power Revenue Bonds nor any part thereof nor interest thereon will constitute a debt, liability or obligation of the City of _____; nor does the Ordinance commit the City of _____ to take or pay for any capacity or energy of the Project.

THE AGENCY PROPOSES TO ISSUE, IN ACCORDANCE WITH THE AGREEMENT AND THE JOINT POWERS ACT, ITS PUBLIC POWER REVENUE BONDS TO PROVIDE FUNDS FOR THE ACQUISITION, CONSTRUCTION AND FINANCING OF THE PROJECT. THE PUBLIC POWER REVENUE BONDS ARE TO BE PAYABLE FROM FUNDS HELD IN TRUST FOR THE BENEFIT OF THE HOLDERS OF SUCH BONDS AND FROM REVENUES OF THE AGENCY FROM THE PROJECT, INCLUDING PAYMENTS TO BE MADE BY THE PARTICIPANTS UNDER THE MEMBER AGREEMENTS.

K-4

THE ORDINANCE AUTHORIZING THE ISSUANCE OF THE PUBLIC POWER REVENUE BONDS IS SUBJECT TO REFERENDUM. UPON PRESENTATION (WITHIN THE TIME PERIOD SPECIFIED BY LAW) OF A PETITION (BEARING SIGNATURES, IN AT LEAST THE NUMBER REQUIRED BY THE LAW) PROTESTING AGAINST THE ADOPTION OF THE ORDINANCE, THE CITY COUNCIL IS REQUIRED TO RECONSIDER THE ORDINANCE. THEREUPON, IF THE CITY COUNCIL DOES NOT ENTIRELY REPEAL THE ORDINANCE, THE ORDINANCE SHALL BE SUBMITTED (UNDER BALLOT WORDING PRESCRIBED BY LAW) TO THE VOTERS AT A REGULAR OR SPECIAL ELECTION AND THE ORDINANCE SHALL NOT BECOME EFFECTIVE UNTIL A MAJORITY OF THE VOTERS VOTING ON THE ORDINANCE VOTE IN FAVOR OF IT. THE FOREGOING DESCRIPTION OF THE PROCEDURES FOR REFERENDUM IS BASED UPON THE APPLICABLE REFERENDUM PROVISIONS OF THE CALIFORNIA ELECTIONS CODE AND THE CALIFORNIA GOVERNMENT CODE. REFERENCE IS MADE TO THE CALIFORNIA ELECTIONS CODE AND THE CALIFORNIA GOVERNMENT CODE FOR A COMPLETE STATEMENT OF SUCH PROVISIONS.

#2

[Note: Ordinance to be adopted after Bonds Ordinance.]

K-4

ORDINANCE NO. _____

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
_____ AUTHORIZING THE ISSUANCE OF NOTES BY
NORTHERN CALIFORNIA POWER AGENCY (GEOTHERMAL
GENERATING PROJECT NUMBER 3).**

WHEREAS, pursuant to the provisions of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"), the City of _____ and certain other public agencies created pursuant to the laws of the State of California (collectively, the "Members"), have entered into a Joint Powers Agreement, as amended (the "Agreement"), creating the Northern California Power Agency (the "Agency"), a public entity separate and apart from the Members; and

WHEREAS, in accordance with the Agreement and the Joint Powers Act, the Agency has entered or will enter into agreements to acquire and construct (or to cause to be acquired and constructed) a project for the generation and transmission of electric energy consisting of two 55 megawatt geothermal generating units and related facilities, including transmission, proposed to be constructed in Sonoma and Lake Counties, State of California, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto, including, without limitation, such interest in the Agency's Geothermal Generating Project Number 2, as the Agency may determine (the "Project"); and

WHEREAS, the Agency proposes to issue, in accordance with the Agreement and the Joint Powers Act, from time to time, in one or more installments, its notes and other evidences of indebtedness (including renewal notes) ("Notes") to be outstanding at any one time in accordance with their terms in the estimated maximum aggregate principal amount of \$300,000,000, for the purpose of financing studies, the acquisition of options, permits, and other preliminary costs to be incurred prior to the undertaking of the construction or acquisition of the Project and for the purpose of providing temporary financing of costs of acquisition and construction of the Project; and

WHEREAS, the Agency proposes to issue its revenue bonds and evidences of indebtedness ("Public Power Revenue Bonds") for the purpose of providing funds for the acquisition, construction and financing of the Project; and

WHEREAS, notwithstanding the aforesaid estimated maximum aggregate principal amount of Notes proposed to be issued by the Agency for the Project and to be outstanding at any one time in

K-4

accordance with their terms, additional Notes may be required to complete the financing of the Project; and

WHEREAS, the Agency has entered or will enter into one or more agreements (the "Member Agreements") with certain entities (including two or more of the Members), pursuant to which the entities entering into such Member Agreements with the Agency (the "Participants") will, in the aggregate, purchase options and/or rights to purchase and/or receive 100% of the capacity and energy of the Project; and

WHEREAS, the Notes are to be renewable from time to time and payable from proceeds of renewal Notes and the proceeds of the Public Power Revenue Bonds and, to the extent not so paid, may be payable from revenues of the Agency from the Project, including payments to be made by the Participants under the Member Agreements; and

WHEREAS, in accordance with the Joint Powers Act, the exercise by the Agency of its power to issue the Notes is subject to the authorization of such issuance by the Members pursuant to Ordinance; and

WHEREAS, neither the payment of principal of the Notes nor any part thereof nor interest thereon shall constitute a debt, liability or obligation of the City of _____; nor does this Ordinance commit the City of _____ to take or pay for any capacity or energy of the Project; and

WHEREAS, this City Council has authorized by Ordinance the issuance and sale by the Agency of its Public Power Revenue Bonds, the proceeds from the sale of which are to be used for the acquisition, construction and financing of the Project, including interest on such Bonds and deposits to reserves, and to pay the principal, premium, if any, and interest on the Notes authorized by this Ordinance when due.

NOW, THEREFORE, the City Council of the City of _____ does ordain as follows:

1. The issuance and sale by the Agency from time to time, in one or more installments, of its Notes (including renewal Notes) outstanding at any one time in accordance with their terms in a maximum aggregate principal amount of \$300,000,000 is hereby authorized. Notwithstanding such maximum aggregate principal amount, the Agency is hereby authorized to issue additional principal amounts of Notes if and to the extent required to complete the financing of the Project. The proceeds from the sale of the Notes hereby authorized are to be used for the financing of costs of acquisition and construction of the Project, including interest on the Notes. The Notes hereby authorized are to

K-4

be renewable from time to time and such Notes, and premium, if any, and interest thereon, are to be payable from proceeds of renewal Notes and the proceeds of Public Power Revenue Bonds of the Agency and, to the extent not so paid, may be payable from revenues of the Agency from the Project, including payments received by the Agency from the Participants under the Member Agreements.

2. Pursuant to Section 6547 of the Joint Powers Act, this Ordinance is subject to the provisions for referendum prescribed by Section 3751.7 of the Elections Code of the State of California.

3. The City Clerk shall certify to the enactment of this Ordinance and shall cause notice of the same to be published in accordance with Section 6040.1 of the Government Code of the State of California.

4. Sixty (60) days from and after its enactment, this Ordinance shall take effect and be in full force, in the manner provided by law.

THE FOREGOING ORDINANCE is approved, enacted and adopted by the City Council of the City of _____, this _____ day of _____, 1982.

ATTEST:

K-4

NOTICE OF ORDINANCE SUBJECT TO REFERENDUM
CITY OF _____
ORDINANCE NO. _____
ADOPTED BY THE CITY COUNCIL OF THE CITY OF _____
ON _____, 1982

Notice is hereby given that at a regular meeting of the City Council of the City of _____ (the "City Council"), held on _____, 1982, Ordinance No. _____ (the "Ordinance") was adopted. The title and a summary of the Ordinance are set forth below. The Ordinance is subject to referendum, as discussed below.

Title

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF _____
AUTHORIZING THE ISSUANCE OF NOTES BY NORTHERN CALIFORNIA POWER AGENCY
(GEOTHERMAL GENERATING UNITS #3 AND #4 PROJECT).

Summary

Pursuant to the Ordinance, the City Council has authorized the issuance and sale by Northern California Power Agency (the "Agency") of its notes and other evidences of indebtedness (including renewal notes) ("Notes"), each to mature within ~~seven~~ years from the date of issuance thereof, to be issued, from time to time, in one or more installments, in an estimated aggregate principal amount outstanding at any one time in accordance with their terms of \$300,000,000 and to bear interest at a probable overall rate of ~~11~~ % per annum. The actual interest rates on each installment of such Notes or the method of determining such rates will be determined by the Commission of the Agency in accordance with law at the time of issuance of such installment. Notwithstanding such maximum aggregate principal amount of Notes, the Agency is authorized, pursuant to the Ordinance, to issue additional principal amounts of its Notes if and to the extent required to complete the financing of the Project discussed below.

The Agency was created pursuant to a Joint Powers Agreement, as amended (the "Agreement"), heretofore entered into between the City of _____ and certain other public agencies created pursuant to the laws of the State of California (collectively, the "Members") pursuant to the provisions of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"). The Agency is a public entity separate and apart from the Members. The Agency, in accordance with the Joint Powers Act and the Agreement, has entered or will enter into agreements to acquire and construct (or to cause to be acquired and constructed) a project for the generation and transmission of electric energy consisting of two 55 megawatt geothermal generating units and related facilities, including transmission, proposed to be constructed in Sonoma and Lake Counties, State of California, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating

K-4

thereto, including, without limitation, such interest in the Agency's Geothermal Generating Project Number 2, as the Agency may determine (the "Project"). The Agency has entered or will enter into one or more agreements (the "Member Agreements") with certain entities (including two or more of the Members), pursuant to which the entities entering into such Member Agreements with the Agency (the "Participants") will, in the aggregate, purchase options and/or rights to purchase and/or receive 100% of the capacity and energy of the Project. The City Council heretofore has authorized, by ordinance, the issuance and sale by the Agency of its Public Power Revenue Bonds to provide funds for the acquisition, construction and financing of the Project. The Public Power Revenue Bonds are to be payable from funds held in trust for the benefit of the holders of such Bonds and from revenues of the Agency from the Project, including payments to be made by the Participants under the Member Agreements.

Neither the payment of principal of the Notes nor any part thereof nor interest thereon will constitute a debt, liability or obligation of the City of _____; nor does the Ordinance commit the City of _____ to take or pay for any capacity or energy of the Project.

THE AGENCY PROPOSES TO ISSUE, IN ACCORDANCE WITH THE AGREEMENT AND THE JOINT POWERS ACT, ITS NOTES (INCLUDING RENEWAL NOTES) FOR THE PURPOSE OF FINANCING STUDIES, THE ACQUISITION OF OPTIONS, PERMITS, AND OTHER PRELIMINARY COSTS TO BE INCURRED PRIOR TO THE UNDERTAKING OF THE CONSTRUCTION OR ACQUISITION OF THE PROJECT AND FOR THE PURPOSE OF PROVIDING TEMPORARY FINANCING OF COSTS OF ACQUISITION AND CONSTRUCTION OF THE PROJECT. THE NOTES ARE TO BE PAYABLE FROM THE PROCEEDS OF RENEWAL NOTES AND FROM THE PROCEEDS OF THE PUBLIC POWER REVENUE BONDS AND, TO THE EXTENT NOT SO PAID, MAY BE PAYABLE FROM REVENUES OF THE AGENCY FROM THE PROJECT, INCLUDING PAYMENTS TO BE MADE BY THE PARTICIPANTS UNDER THE MEMBER AGREEMENTS.

THE ORDINANCE AUTHORIZING THE ISSUANCE OF THE NOTES IS SUBJECT TO REFERENDUM. UPON PRESENTATION (WITHIN THE TIME PERIOD SPECIFIED BY LAW) OF A PETITION (BEARING SIGNATURES, IN AT LEAST THE NUMBER REQUIRED BY THE LAW) PROTESTING AGAINST THE ADOPTION OF THE ORDINANCE, THE CITY COUNCIL IS REQUIRED TO RECONSIDER THE ORDINANCE. THEREUPON, IF THE CITY COUNCIL DOES NOT ENTIRELY REPEAL THE ORDINANCE, THE ORDINANCE SHALL BE SUBMITTED (UNDER BALLOT WORDING PRESCRIBED BY LAW) TO THE VOTERS AT A REGULAR OR SPECIAL ELECTION AND THE ORDINANCE SHALL NOT BECOME EFFECTIVE UNTIL A MAJORITY OF THE VOTERS VOTING ON THE ORDINANCE VOTE IN FAVOR OF IT. THE FOREGOING DESCRIPTION OF THE PROCEDURES FOR REFERENDUM IS BASED UPON THE APPLICABLE REFERENDUM PROVISIONS OF THE CALIFORNIA ELECTIONS CODE AND THE CALIFORNIA GOVERNMENT CODE. REFERENCE IS MADE TO THE CALIFORNIA ELECTIONS CODE AND THE CALIFORNIA GOVERNMENT CODE FOR A COMPLETE STATEMENT OF SUCH PROVISIONS.

3

K-4

[Ordinance authorizing Refunding Bonds]

ORDINANCE NO. _____

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF _____ AUTHORIZING THE ISSUANCE OF PUBLIC POWER REVENUE REFUNDING BONDS BY NORTHERN CALIFORNIA POWER AGENCY

WHEREAS, pursuant to the provisions of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"), the City of _____ and certain other public agencies created pursuant to the laws of the State of California (collectively, the "Members"), have entered into a Joint Powers Agreement, as amended (the "Agreement"), creating the Northern California Power Agency (the "Agency"), a public entity separate and apart from the Members; and

WHEREAS, in accordance with the Agreement and the Joint Powers Act, the Agency has entered or will enter into agreements to acquire and construct (or to cause to be acquired and constructed) a project for the generation and transmission of electric energy consisting of certain geothermal generating units (known as Geothermal Project Number 2) and related facilities, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto ("Project Number 2"); and

WHEREAS, the Agency has heretofore issued its \$40,000,000 Public Power Revenue Bonds, 1981 Series A, and its \$15,000,000 Public Power Revenue Bonds, 1982 Series A, and has assigned to the Bank of Montreal (California) (the "Bank") its rights to receive certain payments under the member agreement relating to Project Number 2, to secure the obligation of th Northern California Municipal Power Corporation No. Two (the "Corporation") to the Bank under a Loan Agreement wherein the Corporation has borrowed the amount of \$45,000,000 from the Bank, such loan guaranteed by the United States Department of Energy, all to finance a portion of the costs of construction and acquisition of Project Number 2 (together, the "Outstanding Indebtedness"); and

WHEREAS, the Agency is considering the construction of an additional project for the generation and transmission of electric energy consisting of two 55 megawatt geothermal generating units and related facilities, including transmission, proposed to be constructed in Sonoma and Lake Counties, State of California, and

K-4

capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto ("Project Number 3"); and

WHEREAS, the Agency proposes to issue, in accordance with the Agreement and the Joint Powers Act, from time to time, in one or more installments, its revenue refunding bonds and evidences of indebtedness (including refunding bonds) ("Public Power Revenue Refunding Bonds") to be outstanding at any one time in accordance with their terms in the estimated maximum aggregate principal amount of \$125,000,000, for the purpose of providing funds for the refinancing of all or a portion of the Outstanding Indebtedness; and

WHEREAS, notwithstanding the aforesaid estimated maximum aggregate principal amount of Public Power Revenue Refunding Bonds proposed to be issued by the Agency for the Project and to be outstanding at any one time in accordance with their terms, additional Public Power Revenue Refunding Bonds may be required to complete the refinancing of all or a portion of the Outstanding Indebtedness; and

WHEREAS, the Agency has entered or will enter into one or more agreements (the "Member Agreements") with certain entities (including two or more of the Members), pursuant to which the entities entering into such Member Agreements with the Agency (the "Participants") will, in the aggregate, purchase options and/or rights to purchase and/or receive 100% of the capacity and energy of Project Number 2, and, if so determined by the Agency, Project Number 3; and

WHEREAS, the Public Power Revenue Refunding Bonds are to be payable from funds held in trust for the benefit of the holders of such Bonds and from revenues of the Agency from Project Number 2, and, if so determined by the Agency, Project Number 3, including payments to be made by the Participants under the Member Agreements; and

WHEREAS, in accordance with the Joint Powers Act, the exercise by the Agency of its power to issue the Public Power Revenue Refunding Bonds is subject to the authorization of such issuance by the Members pursuant to Ordinance; and

WHEREAS, neither the payment of principal of the Public Power Revenue Refunding Bonds nor any part thereof nor interest thereon shall constitute a debt, liability or obligation of the City of _____; nor does this Ordinance commit the City of _____ to take or pay for any capacity or energy of the Project.

NOW, THEREFORE, the City Council of the City of _____ does ordain as follows:

1. The issuance and sale by the Agency, from time to time, in one or more installments, of its Public Power

K-4

Revenue Refunding Bonds outstanding at any one time in accordance with their terms in a maximum aggregate principal amount of \$125,000,000 is hereby authorized. Notwithstanding such maximum aggregate principal amount, the Agency is hereby authorized to issue additional principal amounts of its Public Power Revenue Refunding Bonds if and to the extent required to complete the refinancing of the Project. The proceeds from the sale of the Public Power Revenue Refunding Bonds hereby authorized are to be used for the refinancing of all or a portion of the Outstanding Indebtedness, including interest on such Bonds, deposits to reserves, all expenses incident to the calling retiring, or payment of any or all of the Outstanding Indebtedness, including the costs of issuing such Bonds and any premium necessary in the calling or retiring of the Outstanding Indebtedness. The Public Power Revenue Refunding Bonds hereby authorized, and premium and interest thereon, are to be payable from, and secured by, funds held in trust for the benefit of the holders of Public Power Revenue Refunding Bonds and from revenues of the Agency from Project Number 2, and, if so determined by the Agency, Project Number 3, including payments received by the Agency from the Participants under the Member Agreements.

2. Pursuant to Section 6547 of the Joint Powers Act, this Ordinance is subject to the provisions for referendum prescribed by Section 3751.7 of the Elections Code of the State of California.

3. The City Clerk shall certify to the enactment of this Ordinance and shall cause notice of the same to be published in accordance with Section 6040.1 of the Government Code of the State of California.

4. Sixty (60) days from and after its enactment, this Ordinance shall take effect and be in full force, in the manner provided by law.

THE FOREGOING ORDINANCE is approved, enacted and adopted by the City Council of the City of _____, this _____ day of _____, 1982.

ATTEST:

K-4

NOTICE OF ORDINANCE SUBJECT TO REFERENDUM
CITY OF _____
ORDINANCE NO. _____
ADOPTED BY THE CITY COUNCIL OF THE CITY OF _____
ON _____, 1982

Notice is hereby given that at a regular meeting of the City Council of the City of _____ (the "City Council"), held on _____, 1982, Ordinance No. _____ (the "Ordinance") was adopted. The title and a summary of the Ordinance are set forth below. The Ordinance is subject to referendum, as discussed below.

Title

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF _____
AUTHORIZING THE ISSUANCE OF PUBLIC POWER REVENUE REFUNDING BONDS BY
NORTHERN CALIFORNIA POWER AGENCY

Summary

Pursuant to the Ordinance, the City Council has authorized the issuance and sale by Northern California Power Agency (the "Agency") of its revenue refunding bonds and evidences of indebtedness ("Public Power Revenue Refunding Bonds"), to mature on or before ~~1991/2002~~ to be issued, from time to time, in one or more installments, in an estimate aggregate principal amount outstanding at any one time in accordance with their terms of \$125,000,000 and to bear interest at a probable overall rate of 10 % per annum. The actual interest rates on each installment of such Public Power Revenue Refunding Bonds or the method of determining such rates will be determined by the Commission of the Agency in accordance with law at the time of issuance of such installment. Notwithstanding such maximum aggregate principal amounts of Public Power Revenue Refunding Bonds, the Agency is authorized, pursuant to the Ordinance, to issue additional principal amounts of its Public Power Revenue Refunding Bonds if and to the extent required to complete the financing of the Project discussed below.

The Agency was created pursuant to a Joint Powers Agreement, as amended (the "Agreement"), heretofore entered into between the City of _____ and certain other public agencies created pursuant to the laws of the State of California (collectively, the "Members") pursuant to the provisions of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"). The Agency is a public entity separate and apart from the Members. The Agency, in accordance with the Joint Powers Act and the Agreement, has entered or will enter into agreements to acquire and construct (or cause to be acquired and constructed) a project for the generation and transmission of electric energy consisting of certain geothermal generating units (known as Geothermal Project Number 2) and related facilities, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto

X-4

("Project Number 2"). The Agency has heretofore issued its \$40,000,000 Public Power Revenue Bonds, 1981 Series A, and its \$15,000,000 Public Power Revenue Bonds, 1982 Series A, and has assigned to the Bank of Montreal (California) (the "Bank") its rights to receive certain payments under the member agreement relating to Project Number 2, to secure the obligation of the Northern California Municipal Power Corporation No. Two (the "Corporation") to the Bank under a Loan Agreement wherein the Corporation has borrowed the amount of \$45,000,000 from the Bank, such loan guaranteed by the United States Department of Energy, all to finance a portion of the costs of construction and acquisition of Project Number 2 (together, the "Outstanding Indebtedness"). The Agency is considering the construction of an additional project for the generation and transmission of electric energy consisting of two 55 megawatt geothermal generating units and related facilities, including transmission, proposed to be constructed in Sonoma and Lake Counties, State of California, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto ("Project Number 3"). The Agency has entered or will enter into one or more agreements (the "Member Agreements") with certain entities (including two or more of the Members), pursuant to which the entities entering into such Member Agreements with the Agency (the "Participants") will, in the aggregate, purchase options and/or rights to purchase and/or receive 100% of the capacity and energy of the Project.

Neither the payment of principal of the Public Power Revenue Refunding Bonds nor any part thereof nor interest thereon will constitute a debt, liability or obligation of the City of _____; nor does the Ordinance commit the City of _____ to take or pay for any capacity or energy of the Project.

THE AGENCY PROPOSES TO ISSUE, IN ACCORDANCE WITH THE AGREEMENT AND THE JOINT POWERS ACT, ITS PUBLIC POWER REVENUE REFUNDING BONDS TO PROVIDE FUNDS FOR THE REFINANCING OF ALL OR A PORTION OF THE OUTSTANDING INDEBTEDNESS. THE PUBLIC POWER REVENUE REFUNDING BONDS ARE TO BE PAYABLE FROM FUNDS HELD IN TRUST FOR THE BENEFIT OF THE HOLDERS OF SUCH BONDS AND FROM REVENUES OF THE AGENCY FROM PROJECT NUMBER 2 AND, IF SO DETERMINED BY THE AGENCY, PROJECT NUMBER 3, INCLUDING PAYMENTS TO BE MADE BY THE PARTICIPANTS UNDER THE MEMBER AGREEMENTS.

K-4

THE ORDINANCE AUTHORIZING THE ISSUANCE OF THE PUBLIC POWER REVENUE REFUNDING BONDS IS SUBJECT TO REFERENDUM. UPON PRESENTATION (WITHIN THE TIME PERIOD SPECIFIED BY LAW) OF A PETITION (BEARING SIGNATURES, IN AT LEAST THE NUMBER REQUIRED BY THE LAW) PROTESTING AGAINST THE ADOPTION OF THE ORDINANCE, THE CITY COUNCIL IS REQUIRED TO RECONSIDER THE ORDINANCE. THEREUPON, IF THE CITY COUNCIL DOES NOT ENTIRELY REPEAL THE ORDINANCE, THE ORDINANCE SHALL BE SUBMITTED (UNDER BALLOT WORDING PRESCRIBED BY LAW) TO THE VOTERS AT A REGULAR OR SPECIAL ELECTION AND THE ORDINANCE SHALL NOT BECOME EFFECTIVE UNTIL A MAJORITY OF THE VOTERS VOTING ON THE ORDINANCE VOTE IN FAVOR OF IT. THE FOREGOING DESCRIPTION OF THE PROCEDURES FOR REFERENDUM IS BASED UPON THE APPLICABLE REFERENDUM PROVISIONS OF THE CALIFORNIA ELECTIONS CODE AND THE CALIFORNIA GOVERNMENT CODE. REFERENCE IS MADE TO THE CALIFORNIA ELECTIONS CODE AND THE CALIFORNIA GOVERNMENT CODE FOR A COMPLETE STATEMENT OF SUCH PROVISIONS.

#4

[Ordinance approving amendment to Shell Second Phase Agreement]

ORDINANCE NO. _____

K-4

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF _____, APPROVING THE TERMS AND CONDITIONS OF AMENDMENT NO. TWO TO THE MEMBER AGREEMENT (SECOND PHASE) FOR FINANCING AND DEVELOPMENT ACTIVITIES OF THE SHELL EAST BLOCK GEOTHERMAL PROJECT BETWEEN NORTHERN CALIFORNIA POWER AGENCY AND CERTAIN PARTICIPATING MEMBERS, AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF SAID AMENDMENT BY OFFICERS OF THE CITY OF _____.

WHEREAS, pursuant to the provisions of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"), the City of _____ and certain other public agencies created pursuant to the laws of the State of California (collectively, the "Members"), have entered into a Joint Powers Agreement (the "Agreement"), as amended, creating the Northern California Public Agency (the "Agency"), a public entity separate and apart from the Members; and

WHEREAS, in accordance with the Agreement and the Joint Powers Act, the Agency and certain participating members of the Agency (the "Project Members") have entered into the Member Agreement (Second Phase) for Financing of Planning and Development Activities of the Shell East Block Geothermal Project, dated as of June 1, 1981, as amended by Amendment No. One thereto, dated June 1, 1981 (herein called the "Principal Agreement"); and

WHEREAS, pursuant to Section 6 of the Principal Agreement, each Project Member agreed to a total financing commitment for its respective percentage participation of a total sum, including

K-4

payments and advances theretofore made, of up to \$5,500,000 in costs as authorized and approved by the Project Members; and

WHEREAS, pursuant to Section 6 of the Principal Agreement, the Project Members may, from time to time as needs arise, authorize an increased financial commitment above \$5,500,000 which can be shown to support the completion of the Project; and

WHEREAS, it has been determined by the Agency and the Project Members, that it is necessary to increase the financial commitment of each Project Member for its respective percentage participation of the total sum in order to complete the Project to the principal amount of \$30,000,000 plus amounts necessary to pay interest expense on such principal amount; and

WHEREAS, the Agency and the Project Members have determined to amend the Principal Agreement so as to clarify the definition of the term "Project" therein; and

WHEREAS, the Agency and the Project Members have determined to amend the Principal Agreement so as to clarify which "costs" are authorized by the Project Members; and

WHEREAS, the Agency and the Project Members have determined to amend the provisions of the Principal Agreement regarding the term of the Principal Agreement; and

WHEREAS, this City Council finds and determines that it is in the best interests of the customers of the electric system of the City of _____ for the City of _____ that the Principal Agreement be so amended;

NOW, THEREFORE, the City Council of the City of _____ does ordain as follows:

K-4

1. The City Council hereby finds and determines that Amendment No. Two to the Principal Agreement be, and the same is hereby, approved.

2. The _____ and _____ are authorized to execute and deliver said Amendment by and on behalf of the City of _____.

3. Pursuant to Section 54241 of the Government Code of the State of California, this Ordinance is subject to the provisions for referendum applicable to the City of _____.

4. The City Clerk shall certify to the enactment of this Ordinance and shall cause this Ordinance to be published in accordance with Section 54242 of the Government Code of the State of California.

5. Thirty (30) days from and after its enactment, this Ordinance shall take effect and be in full force, in the manner provided by law.

ADOPTED by the City Council and signed by the _____ and attested by the _____ this ___ day of _____, 1982.

_____ of the City of _____

Attest:

_____ of the City of _____

(Seal)

K-4

AMENDMENT NO. TWO
TO
MEMBER AGREEMENT (SECOND PHASE) FOR
FINANCING OF PLANNING AND DEVELOPMENT ACTIVITIES
OF THE
SHELL EAST BLOCK GEOTHERMAL PROJECT

This Amendment No. Two, made as of _____, 1982, by and between the Northern California Power Agency ("NCPA"), a joint powers agency of the State of California, and its members who execute this Agreement (the "Project Members"),

WITNESSETH:

WHEREAS, the parties hereto have executed the "Member Agreement (Second Phase) for Financing of Planning and Development Activities of the Shell East Block Geothermal Project", dated as of June 1, 1981, as amended by Amendment No. One thereto, dated June 1, 1981 (herein called the "Principal Agreement."); and

WHEREAS, pursuant to Section 6 of the Principal Agreement, each Project Member agreed to a total financing commitment for its respective percentage participation of a total sum, including payments and advances theretofore made, of up to \$5,500,000 in costs as authorized and approved by the Project Members; and

WHEREAS, pursuant to Section 6 of the Principal Agreement, the Project Members may, from time to time as needs arise, authorize an increased financial commitment above \$5,500,000 which can be shown to support the completion of the Project; and

WHEREAS, it has been determined by NCPA and the Project Members that it is necessary to increase the financial commitment of each Project Member for its respective percentage participation of the total sum in order to complete the Project to the principal amount of \$30,000,000 plus amounts necessary to pay original issue discount and interest expense on such principal amount as determined by the Commission; and

WHEREAS, NCPA and the Project Members have determined to amend the Principal Agreement so as to clarify the definition of the term "Project" therein; and

WHEREAS, NCPA and the Project Members have determined to amend the Principal Agreement so as to clarify which "costs" are authorized by the Project Members; and

WHEREAS, NCPA and the Project Members have determined to amend the provisions of the Principal Agreement regarding the term of the Principal Agreement; and

K-4

WHEREAS, this Agreement shall not take effect until execution and delivery by each of the Project Members;

NOW THEREFORE, the parties hereto agree as follows:

SECTION 1. Pursuant to the provisions of Section 6 of the Principal Agreement, the financial commitment of each Project Member for its respective percentage participation of the total sum shall be increased to the principal amount of \$30,000,000, plus amounts necessary to pay interest expense on such principal amount.

SECTION 2. The defined term "Project" shall include, in addition to the meaning ascribed thereto in the Principal Agreement, two 55 megawatt geothermal generating units and related facilities, including transmission, proposed to be constructed in Sonoma and Lake Counties, California, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto.

SECTION 3. Costs authorized by the Project Members shall include, but shall not be limited to, all costs of studies, the acquisition of options, permits and other preliminary costs to be incurred prior to the undertaking of the construction or acquisition of the Project, and for the purpose of providing temporary financing of costs of construction or acquisition of the Project, including engineering, inspection, legal and fiscal agents' fees and costs of issuance and sale of any notes or other evidences of indebtedness.

SECTION 4. Section 5 of the Principal Agreement is hereby amended to read in full as follows:

"Section 5. Term. This Agreement shall take effect on June 1, 1981, or whenever executed by NCPA members holding 85% of the initial percentage participation, whichever is later, and it shall not take effect at all if not in effect by August 1, 1981. This Agreement shall not be binding upon Plumas-Sierra Rural Electric Cooperative until approved in writing by the Administrator of Rural Electrification Administration. This Agreement shall be superseded upon the first issuance of Project bonds by the Final Power Contract in which Project Members shall enter any time prior to the issuance of the Project bonds, pursuant to Section 2, except that Section 4 shall remain in effect. Changes in this provision, except as to Section 4, shall be in accordance with Section 3 hereof."

SECTION 5. This Agreement shall take effect upon its execution and delivery by each of the Project Members.

IN WITNESS WHEREOF, each Project Member has executed this Agreement with the approval of its governing body, and caused its official seal to be affixed, and NCPA has authorized this Agreement in accordance with the authorization of its Commission.

K-4

**NORTHERN CALIFORNIA POWER
AGENCY**

By: _____

By: _____

CITY OF ALAMEDA

By: _____

By: _____

CITY OF BIGGS

By: _____

By: _____

CITY OF GRIDLEY

By: _____

By: _____

CITY OF REDDING

By: _____

By: _____

CITY OF HEALDSBURG

By: _____

By: _____

CITY OF LODI

By: _____

By: _____

CITY OF LOMPOC

By: _____

By: _____

CITY OF PALO ALTO

By: _____

By: _____

CITY OF UKIAH

By: _____

By: _____

4-4

CITY OF ROSEVILLE

**PLUMAS-SIERRA RURAL ELECTRIC
COOPERATIVE**

By: _____

By: _____

By: _____

By: _____

CITY OF SANTA CLARA

By: _____

By: _____

NCPA EXPENDITURES

| <u>Year</u> | <u>Development Fund</u> | <u>Other</u> | <u>Total</u> |
|-------------|-------------------------|----------------|----------------|
| 1975-76 | \$163,250* | | \$163,250 |
| 1976-77 | 97,950* | | 97,950 |
| 1977-78 | 130,600* | | 130,600 |
| 1978-79 | 130,600 | \$ 69,619 | 200,219 |
| 1979-80 | 130,600 | 177,749 | 308,349 |
| 1980-81 | 287,564 | 202,764 | 490,328 |
| 1981-82 | <u>287,564</u> | <u>346,827</u> | <u>634,391</u> |
| Sub-totals: | \$1,228,128 | \$796,959 | \$2,025,087 |
| 1982-83 | <u>143,782</u> | <u>140,000</u> | <u>283,782</u> |
| to 10/6/82 | \$1,371,910 | \$936,959 | \$2,308,869 |

* Budget figures

NCPA PROJECT SUMMARY

| <u>Project</u> | <u>Commercial Operation Date (Sched.)</u> | <u>Debt (Est.) \$M</u> | <u>Amortization Period Years</u> | <u>Lodi % Participation</u> | <u>Lodi Portion of Debt \$M</u> | <u>Lodi Assessments to Date \$M</u> |
|------------------|---|----------------------------|--|---------------------------------|---|---|
| NCPA 1 (RFL) | | 1.5 | 2.5 | 14.56 | 0.22 | 1.11 |
| NCPA 2 (Shell) | 1983 | 130 ¹ | 25 | 14.56 | 18.93 ¹ ² | None ⁴ |
| NCPA 3 (Shell) | 1986 | 175 | 25 | 9.16 ³ | 16.03 ³ | None |
| Calaveras (CCWD) | 1987 | 600 | 36 | 10.37 | 62.22 | .40 |
| Kings River | 1988 | 65 | 30 ⁵ | 11.12 | <u>7.23</u> | <u>None</u> |
| TOTALS: | | | | | \$104.63M | \$1.51M |

¹ Maximum, if project is refinanced.

² \$14.6M at this time.

³ Based on 1/2 allocation (10 MW).

⁴ Past assessments refunded to NCPA Development Fund.

⁵ Estimated.

10/6/82

CITY COUNCIL

FRED M. REID, Mayor
ROBERT G. MURPHY,
Mayor Pro Tempore
EVELYN M. OLSON
JAMES W. PINKERTON, Jr.
JOHN R. (Randy) SNIDER

00110
CITY OF LODI

CITY HALL, 221 WEST PINE STREET
POST OFFICE BOX 320
LODI, CALIFORNIA 95241
(209) 334-5634

F. u. 10/27/82
HENRY A. CLAYES, Jr.
City Manager
ALICE M. REIMICHE
City Clerk
RONALD M. STEIN
City Attorney

November 8, 1982

Gail Sipple
NCPA
8421 Auburn Blvd., Suite 160
Citrus Heights, CA 95610

Re: Shell Project No. 3 (East Block)

Pursuant to your September 1, 1982 letter, enclosed herewith please find:

1. A Certified Executed copy of each Ordinance (Ordinance No. 1273, 1274, 1275, and 1276).
2. Proof of Publication of each Ordinance.
3. Proof of Publication of the Notice of Adoption.
4. Executed copy of Amendment No. Two to Member Agreement (Second Phase) for Financing and Planning and Development Activities of the Shell East Block Geothermal Project.
5. A Certified copy of the Minutes of October 27, 1982 adopting the subject Ordinances.

Very truly yours,

Alice M. Reimiche
City Clerk

AMR:jj

ORDINANCE NO. 1273

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LODI AUTHORIZING THE ISSUANCE OF PUBLIC POWER REVENUE BONDS BY NORTHERN CALIFORNIA POWER AGENCY (GEOTHERMAL GENERATING PROJECT NUMBER 3)

WHEREAS, pursuant to the provisions of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"), the City of Lodi and certain other public agencies created pursuant to the laws of the State of California (collectively, the "Members"), have entered into a Joint Powers Agreement, as amended (the "Agreement"), creating the Northern California Power Agency (the "Agency"), a public entity separate and apart from the Members; and

WHEREAS, in accordance with the Agreement and the Joint Powers Act, the Agency has entered or will enter into agreements to acquire and construct (or to cause to be acquired and constructed) a project for the generation and transmission of electric energy consisting of two 55 megawatt geothermal generating units and related facilities, including transmission, proposed to be constructed in Sonoma and Lake Counties, State of California, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto, including, without limitation, such interest in the Agency's Geothermal Generating Project Number 2, as the Agency may determine (the "Project"); and

WHEREAS, the Agency proposes to issue, in accordance with the Agreement and the Joint Powers Act, from time to time, in one or more installments, its revenue bonds and evidences of indebtedness (including refunding bonds) ("Public Power Revenue Bonds") to be outstanding at any one time in accordance with their terms in the estimated maximum aggregate principal amount of \$300,000,000, for the purpose of providing funds for the acquisition, construction and financing of the Project, and

WHEREAS, the Agency also proposes to issue its notes and other evidences of indebtedness (including renewal notes) ("Notes") for the purpose of financing studies, the acquisition of options, permits, and other preliminary costs to be incurred prior to the undertaking of the construction or acquisition of the Project and for the purpose of providing temporary financing of costs of acquisition and construction of the Project; and

WHEREAS, notwithstanding the aforesaid estimated maximum aggregate principal amount of Public Power Revenue Bonds proposed to be issued by the Agency for the Project and to be outstanding at any one time in accordance with their terms, additional Public Power Revenue Bonds may be required to complete the financing of the Project; and

WHEREAS, the Agency has entered or will enter into one or more agreements (the "Member Agreements") with certain entities (including two or more of the Members), pursuant to which the entities entering into such Member Agreements with the Agency (the "Participants") will, in the aggregate, purchase options and/or rights to purchase and/or receive 100% of the capacity and energy of the Project; and

WHEREAS, the Public Power Revenue Bonds are to be payable from funds held in trust for the benefit of the holders of such Bonds and from revenues of the Agency from the Project, including payments to be made by the participants under the Member Agreements; and

WHEREAS, the Notes are to be payable from proceeds of renewal Notes and the proceeds of the Public Power Revenue Bonds and, to the extent not so paid, may be payable from revenues of the Agency from the Project, including payments to be made by the Participants under the Member Agreements; and

WHEREAS, in accordance with the Joint Powers Act, the exercise by the Agency of its power to issue the Public Power Revenue Bonds is subject to the authorization of such issuance by the Members pursuant to Ordinance; and

WHEREAS, neither the payment of principal of the Public Power Revenue Bonds nor any part thereof nor interest thereon shall constitute adebt, liability or obligation of the City of Lodi; nor does this Ordinance commit the City of Lodi to take or pay for any capacity or energy of the Project.

NOW, THEREFORE, the City Council of the City of Lodi does ordain as follows:

1. The issuance and sale by the Agency, from time to time, in one or more installments, of its Public Power Revenue Bonds outstanding at any one time in accordance with their terms in a maximum aggregate principal amount of \$300,000,000 is hereby authorized. Notwithstanding such maximin aggregate principal amount, the Agency is hereby authorized to issue additional principal amounts of its Public Power Revenue Bonds if and to the extent required to complete the financing of the Project. The proceeds from the sale of the Public Power Revenue Bonds hereby authorized are to be used for the acquisition, construction and financing of the Project, including interest on such Bonds and deposits to reserves, and to pay the principal, premium, if any, and interest on the Notes of the Agency when due. The Public Power Revenue Bonds hereby authorized, and premium and interest thereon, are to be payable from, and secured by, funds held in trust for the benefit of the holders of Public Power Revenue Bonds and from revenues of the Agency from the Project, including payments received by the Agency from the Participants under the Member Agreements.

2. Pursuant to Section 6547 of the Joint Powers Act, this Ordinance is subject to the provisions for referendum prescribed by Section 3751.7 of the Elections Code of the State of California.

3. The City Clerk shall certify to the enactment of this Ordinance and shall cause notice of the same to be published in accordance with Section 6040.1 of the Government Code of the State of California.

4. Sixty (60) days from and after its enactment, this Ordinance shall take effect and be in full force, in the manner provided by law.

THE FOREGOING ORDINANCE is approved, enacted and adopted by the City Council of the City of Lodi, this 27th day of October, 1982.



Fred M. Reid
Mayor

ATTEST:



Alice M. Reimche
City Clerk

State of California
County of San Joaquin, ss.

I, Alice M. Reimche, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1273 was introduced at a regular meeting of the City Council of the City of Lodi held October 6, 1982 and was thereafter passed, adopted and ordered to print at an adjourned regular meeting of said Council held October 27, 1982 by the following vote:

Ayes: Council Members - Olson, Reid, Murphy,
Pinkerton, and Reid (Mayor)

Noes: Council Members - None

Absent: Council Members - None

Abstain: Council Members - None

I further certify that Ordinance No. 1273 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.



ALICE M. REIMCHE
City Clerk

Approved as to form



Ronald M. Stein
City Attorney

NOTICE OF ORDINANCE SUBJECT TO REFERENDUM
CITY OF LODI
ORDINANCE NO. 1273
ADOPTED BY THE CITY COUNCIL OF THE CITY OF LODI
ON OCTOBER 27, 1982

Notice is hereby given that at an adjourned regular meeting of the City Council of the City of Lodi (the "City Council"), held on October 27, 1982, Ordinance No. 1273 (the "Ordinance") was adopted. The title and a summary of the Ordinance are set forth below. The Ordinance is subject to referendum, as discussed below.

Title

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LODI AUTHORIZING THE ISSUANCE OF PUBLIC POWER REVENUE BONDS BY NORTHERN CALIFORNIA POWER AGENCY (GEOTHERMAL GENERATING UNITS #3 AND #4 PROJECT).

Summary

Pursuant to the Ordinance, the City Council has authorized the issuance and sale by Northern California Power Agency (the "Agency") of its revenue bonds and evidences of indebtedness ("Public Power Revenue Bonds"), to mature on or before December 31, 2022, to be issued, from time to time, in one or more installments, in an estimate aggregate principal amount outstanding at any one time in accordance with their terms of \$300,000,000 and to bear interest at a probable overall rate of 13% per annum. The actual interest rates on each installment of such Public Power Revenue Bonds or the method of determining such rates will be determined by the Commission of the Agency in accordance with law at the time of issuance of such installment. Notwithstanding such maximum aggregate principal amount of Public Power Revenue Bonds, the Agency is authorized, pursuant to the Ordinance, to issue additional principal amounts of its Public Power Revenue Bonds if and to the extent required to complete the financing of the Project discussed below.

The Agency was created pursuant to a Joint Powers Agreement, as amended (the "Agreement"), heretofore entered into between the City of Lodi and certain other public agencies created pursuant to the laws of the State of California (collectively, the "Members") pursuant to the provisions of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"). The Agency is a public entity separate and apart from the Members. The Agency- in accordance with the Joint Powers Act and the Agreement, has entered or will enter into agreements to acquire and construct (or cause to be acquired and constructed) a project for the generation and transmission of electric energy consisting of two 55 megawatt geothermal generating units and related facilities, including transmission, proposed to be constructed in Sonoma and Lake Counties, State of California, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto, including, without limitation, such interest in the Agency's Geothermal Generating Project Number 2, as the Agency may determine (the "Project"). The Agency has entered or will enter into one or more agreements (the "Member Agreements") with certain entities (including two or more of the Members), pursuant to which the entities entering into such Member Agreements with the Agency (the "Participants") will, in the aggregate, purchase options and/or rights to purchase and/or receive 100% of the capacity and energy of the Project. The City Council heretofore has authorized, by ordinance, the issuance and sale by the Agency of its notes and evidences of indebtedness (including renewal notes) ("Notes") for the

of financing studies, the acquisition of options, permits, and other preliminary costs to be incurred prior to the undertaking of the construction or acquisition of the Project and for the purpose of providing temporary financing of costs of acquisition and construction of the Project. The Notes are to be payable from the proceeds of renewal Notes and the proceeds of the Public Power Revenue Bonds authorized by the Ordinance and, to the extent not so paid, may be payable from revenues of the Agency from the Project, including payments to be made by the Participants under the Member Agreements.

Neither the payment of principal of the Public Power Revenue Bonds nor any part thereof nor interest thereon will constitute a debt, liability or obligation of the City of Lodi; nor does the Ordinance commit the City of Lodi to take or pay for any capacity or energy of the Project.

THE AGENCY PROPOSES TO ISSUE, IN ACCORDANCE WITH THE AGREEMENT AND THE JOINT POWERS ACT, ITS PUBLIC POWER REVENUE BONDS TO PROVIDE FUNDS FOR THE ACQUISITION, CONSTRUCTION AND FINANCING OF THE PROJECT. THE PUBLIC POWER REVENUE BONDS ARE TO BE PAYABLE FROM FUNDS HELD IN TRUST FOR THE BENEFIT OF THE HOLDERS OF SUCH BONDS AND FROM REVENUES OF THE AGENCY FROM THE PROJECT, INCLUDING PAYMENTS TO BE MADE BY THE PARTICIPANTS UNDER THE MEMBER AGREEMENTS.

THE ORDINANCE AUTHORIZING THE ISSUANCE OF THE PUBLIC POWER REVENUE BONDS IS SUBJECT TO REFERENDUM. UPON PRESENTATION (WITHIN THE TIME PERIOD SPECIFIED BY LAW) OF A PETITION (BEARING SIGNATURES, IN AT LEAST THE NUMBER REQUIRED BY THE LAW) PROTESTING AGAINST THE ADOPTION OF THE ORDINANCE, THE CITY COUNCIL IS REQUIRED TO RECONSIDER THE ORDINANCE. THEREUPON, IF THE CITY COUNCIL DOES NOT ENTIRELY REPEAL THE ORDINANCE, THE ORDINANCE SHALL BE SUBMITTED (UNDER BALLOT WORDING PRESCRIBED BY LAW) TO THE VOTERS AT A REGULAR OR SPECIAL ELECTION AND THE ORDINANCE SHALL BECOME EFFECTIVE UNTIL A MAJORITY OF THE VOTERS VOTING ON THE ORDINANCE VOTE IN FAVOR OF IT. THE FOREGOING DESCRIPTION OF THE PROCEDURES FOR REFERENDUM IS BASED UPON THE APPLICABLE REFERENDUM PROVISIONS OF THE CALIFORNIA ELECTIONS CODE AND THE CALIFORNIA GOVERNMENT CODE. REFERENCE IS MADE TO THE CALIFORNIA ELECTIONS CODE AND THE CALIFORNIA GOVERNMENT CODE FOR A COMPLETE STATEMENT OF SUCH PROVISIONS.

THE FOREGOING DOCUMENT IS CERTIFIED
TO BE A CORRECT COPY OF THE ORIGINAL
ON FILE IN THIS OFFICE.

JUDITH JOHNSON
DEPUTY CITY CLERK, CITY OF LODI

BY
DATED

Judith Johnson
12-11-82

ORDINANCE NO. 1274

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
LODI AUTHORIZING THE ISSUANCE OF NOTES BY
NORTHERN CALIFORNIA POWER AGENCY (GEOTHERMAL
GENERATING PROJECT NUMBER 3)

WHEREAS, pursuant to the provisions of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"), the City of Lodi and certain other public agencies created pursuant to the laws of the State of California (collectively, the "Members"), have entered into a Joint Powers Agreement, as amended (the "Agreement"), creating the Northern California Power Agency (the "Agency"), a public entity separate and apart from the Members; and

WHEREAS, in accordance with the Agreement and the Joint Powers Act, the Agency has entered or will enter into agreements to acquire and construct (or cause to be acquired and constructed) a project for the generation and transmission of electric energy consisting of two 55 megawatt geothermal generating units and related facilities, including transmission, proposed to be constructed in Sonoma and Lake Counties, State of California, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto, including, without limitation, such interest in the Agency's Geothermal Generating Project Number 2, as the Agency may determine (the "Project"); and

WHEREAS, the Agency proposes to issue, in accordance with the Agreement and the Joint Powers Act, from time to time, in one or more installments, its notes and other evidences of indebtedness (including renewal notes) ("Notes") to be outstanding at any one time in accordance with their terms in the estimated maximum aggregate principal amount of \$300,000,000, for the purpose of financing studies, the acquisition of options, permits, and other preliminary costs to be incurred prior to the undertaking of the construction or acquisition of the Project and for the purpose of providing temporary financing of costs of acquisition and construction of the Project; and

WHEREAS, the Agency proposes to issue its revenue bonds and evidences of indebtedness ("Public Power Revenue Bonds") for the purpose of providing funds for the acquisition, construction and financing of the Project; and

WHEREAS, notwithstanding the aforesaid estimated maximum aggregate principal amount of Notes proposed to be issued by the Agency for the Project and to be outstanding at any one time in accordance with their terms, additional Notes may be required to complete the financing of the Project; and

WHEREAS, the Agency has entered or will enter into one or more agreements (the "Member Agreements") with certain entities (including two or more of the Members), pursuant to which the entities entering into such Member Agreements with the Agency (the "Participants") will, in the aggregate, purchase options and/or rights to purchase and/or receive 100% of the capacity and energy of the Project; and

WHEREAS, the Notes are to be renewable from time to time and payable from proceeds of renewal Notes and the proceeds of the Public Power Revenue Bonds and, to the extent not so paid, may be payable from revenues of the Agency from the Project, including payments to be made by the Participants under the Member

Agreements; and

WHEREAS, in accordance with the Joint Powers Act, the exercise by the Agency of its power to issue the Notes is subject to the authorization of such issuance by the Members pursuant to Ordinance; and

WHEREAS, neither the payment of principal of the Notes nor any part thereof nor interest thereon shall constitute a debt, liability or obligation of the City of Lodi; nor does this Ordinance commit the City of Lodi to take or pay for any capacity or energy of the Project; and

WHEREAS, THIS City Council has authorized by Ordinance the issuance and sale by the Agency of its Public Power Revenue Bonds, the proceeds from the sale of which are to be used for the acquisition, construction and financing of the Project, including interest on such Bonds and deposits to reserves, and to pay the principal, premium, if any, and interest on the Notes authorized by this Ordinance when due.

NOW, THEREFORE, the City Council of the City of Lodi does ordain as follows:

1. The issuance and sale by the Agency from time to time, in one or more installments, of its Notes (including renewal Notes) outstanding at any one time in accordance with their terms in a maximum aggregate principal amount of \$300,000,000 is hereby authorized. Notwithstanding such maximum aggregate principal amount, the Agency is hereby authorized to issue additional principal amounts of Notes if and to the extent required to complete the financing of the Project. The proceeds from the sale of the Notes hereby authorized are to be used for the financing of costs of acquisition and construction of the Project, including interest on the Notes. The Notes hereby authorized are to be renewable from time to time and such Notes, and premium, if any, and interest thereon, are to be payable from proceeds of renewal Notes and the proceeds of Public Power Revenue Bonds of the Agency and, to the extent not so paid, may be payable from revenues of the Agency from the Project, including payments received by the Agency from the Participants under the Member Agreements.
2. Pursuant to Section 6547 of the Joint Powers Act, this Ordinance is subject to the provisions for referendum prescribed by Section 3751.7 of the Elections Code of the State of California.
3. The City Clerk shall certify to the enactment of this Ordinance and shall cause notice of the same to be published in accordance with Section 6040.1 of the Government Code of the State of California.
4. Sixty (60) days from and after its enactment, this Ordinance shall take effect and be in full force, in the manner provided by law.

THE FOREGOING ORDINANCE is approved, enacted and adopted by the City Council of the City of Lodi, this 27th day of October, 1982.

Fred M Reid

Fred M. Reid
Mayor

ATTEST:

Alice M. Reimche

Alice M. Reimche
City Clerk

State of California
County of San Joaquin, ss.

I, Alice M. Reimche, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1274 was introduced at a regular meeting of the City Council of the city of Lodi held October 6, 1982 and was thereafter passed, adopted and ordered to print at an adjourned regular meeting of said Council held October 27, 1982 by the following vote:

| | |
|----------|--|
| Ayes: | Council Members - Olson, Snider, Murphy, Pinkerton, and Reid |
| Noes: | Council Members - None |
| Absent: | Council Members - None |
| Abstain: | Council Members - None |

I further certify that Ordinance No. 1274 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

Alice M. Reimche
ALICE M. REIMCHE
City Clerk

Approved as to form

Ron M. Stein
Ron M. Stein
City Attorney

NOTICE OF ORDINANCE SUBJECT TO REFERENDUM
CITY OF LODI
ORDINANCE NO. 1274
ADOPTED BY THE CITY COUNCIL OF THE CITY OF LODI
ON OCTOBER 27, 1982

Notice is hereby given that at an adjourned regular meeting of the City Council of the City of Lodi (the "City Council"), held on October 27, 1982, Ordinance No. 1274 (the "Ordinance") was adopted. The title and a summary of the Ordinance are set forth below. The Ordinance is subject to referendum, as discussed below.

Title

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LODI AUTHORIZING THE ISSUANCE OF NOTES BY NORTHERN CALIFORNIA POWER AGENCY (GEOTHERMAL GENERATING UNITS #3 AND #4 PROJECT).

Summary

Pursuant to the Ordinance, the City Council has authorized the issuance and sale by Northern California Power Agency (the "Agency") of its notes and other evidences of indebtedness (including renewal notes) ("Notes"), each to mature within seven years from the date of issuance thereof, to be issued, from time to time, in one or more installments, in an estimated aggregate principal amount outstanding at any one time in accordance with their terms of \$300,000,000 and to bear interest at a probable overall rate of 11% per annum. The actual interest rates on each installment of such Notes or the method of determining such rates will be determined by the Commission of the Agency in accordance with law at the time of issuance of such installment. Notwithstanding such maximum aggregate principal amount of Notes, the Agency is authorized, pursuant to the Ordinance, to issue additional principal amounts of its Notes if and to the extent required to complete the financing of the Project discussed below.

The Agency was created pursuant to a Joint Powers Agreement, as amended (the "Agreement"), heretofore entered into between the City of Lodi and certain other public agencies created pursuant to the laws of the State of California (collectively, the "Members") pursuant to the provisions of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"). The Agency is a public entity separate and apart from the Members. The Agency, in accordance with the Joint Powers Act and the Agreement, has entered or will enter into agreements to acquire and construct (or to cause to be acquired and constructed) a project for the generation and transmission of electric energy consisting of two 55 megawatt geothermal generating units and related facilities, including transmission, proposed to be constructed in Sonoma and Lake Counties, State of California, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto, including, without limitation, such interest in the Agency's Geothermal Project Number 2, as the Agency may determine (the "Project"). The Agency has entered or will enter into one or more agreements (the "Member Agreements") with certain entities (including two or more of the Members), pursuant to which the entities entering into such Member Agreements with the Agency (the "Participants") will, in the aggregate, purchase options and/or rights to purchase and/or receive 100% of the capacity and energy of the Project. The City Council heretofore has authorized, by ordinance, the issuance and sale by the Agency of its Public Power

Revenue Bonds to provide funds for the acquisition, construction and financing of the Project. The Public Power Revenue Bonds are to be payable from funds held in trust for the benefit of the holders of such Bonds and from revenues of the Agency from the Project, including payments to be made by the Participants under the Member Agreements.

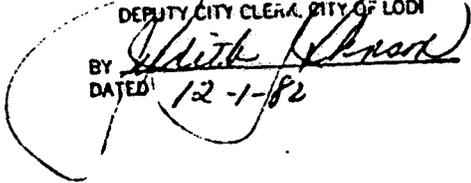
Neither the payment or principal of the Notes nor any part thereof nor interest thereon will constitute a debt, liability or obligation of the City of Lodi; nor does the Ordinance commit the City of Lodi to take or pay for any capacity or energy of the Project.

THE AGENCY PROPOSES TO ISSUE, IN ACCORDANCE WITH THE AGREEMENT AND THE JOINT POWERS ACT, ITS NOTES (INCLUDING RENEWAL NOTES) FOR THE PURPOSE OF FINANCING STUDIES, THE ACQUISITION OF OPTIONS, PERMITS, AND OTHER PRELIMINARY COSTS TO BE INCURRED PRIOR TO THE UNDERTAKING OF THE CONSTRUCTION OR ACQUISITION OF THE PROJECT AND FOR THE PURPOSE OF PROVIDING TEMPORARY FINANCING OF COSTS OF ACQUISITION AND CONSTRUCTION OF THE PROJECT. THE NOTES ARE TO BE PAYABLE FROM THE PROCEEDS OF RENEWAL NOTES AND FROM THE PROCEEDS OF THE PUBLIC POWER REVENUE BONDS AND, TO THE EXTENT NOT SO PAID, MAY BE PAYABLE FROM REVENUES OF THE AGENCY FROM THE PROJECT, INCLUDING PAYMENTS TO BE MADE BY THE PARTICIPANTS UNDER THE MEMBER AGREEMENTS.

THE ORDINANCE AUTHORIZING THE ISSUANCE OF THE NOTES IS SUBJECT TO REFERENDUM. UPON PRESENTATION (WITHIN THE TIME PERIOD SPECIFIED BY LAW) OF A PETITION (BEARING SIGNATURES, IN AT LEAST THE NUMBER REQUIRED BY THE LAW) PROTESTING AGAINST THE ADOPTION OF THE ORDINANCE, THE CITY COUNCIL IS REQUIRED TO RECONSIDER THE ORDINANCE. THEREUPON, IF THE CITY COUNCIL DOES NOT ENTIRELY REPEAL THE ORDINANCE, THE ORDINANCE SHALL BE SUBMITTED (UNDER BALLOT WORDING PRESCRIBED BY LAW) TO THE VOTERS AT A REGULAR OR SPECIAL ELECTION AND THE ORDINANCE SHALL NOT BECOME EFFECTIVE UNTIL A MAJORITY OF THE VOTERS VOTING ON THE ORDINANCE VOTE IN FAVOR OF IT. THE FOREGOING DESCRIPTION OF THE PROCEDURES FOR REFERENDUM IS BASED UPON THE APPLICABLE REFERENDUM PROVISIONS OF THE CALIFORNIA ELECTIONS CODE AND THE CALIFORNIA GOVERNMENT CODE. REFERENCE IS MADE TO THE CALIFORNIA ELECTIONS CODE AND THE CALIFORNIA GOVERNMENT CODE FOR A COMPLETE STATEMENT OF SUCH PROVISIONS.

THE FOREGOING DOCUMENT IS CERTIFIED
TO BE A CORRECT COPY OF THE ORIGINAL
ON FILE IN THIS OFFICE.

JUDITH JOHNSON
DEPUTY CITY CLERK, CITY OF LODI

BY 
DATED 12-1-82

ORDINANCE NO. 1275

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LODI
AUTHORIZING THE ISSUANCE OF PUBLIC POWER REVENUE
REFUNDING BONDS BY NORTHERN CALIFORNIA POWER AGENCY

WHEREAS, pursuant to the provisions of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"), the City of Lodi and certain other public agencies created pursuant to the laws of the State of California (collectively, the "Members"), have entered into a Joint Powers Agreement, as amended (the "Agreement"), creating the Northern California Power Agency (the "Agency"), a public entity separate and apart from the Members; and

WHEREAS, in accordance with the Agreement and the Joint Powers Act, the Agency has entered or will enter into agreements to acquire and construct (or to cause and to be acquired and constructed) a project for the generation and transmission of electric energy consisting of certain geothermal generating units (known as Geothermal Project Number 2) and related facilities, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto ("Project Number 2"); and

WHEREAS, the Agency has heretofore issued its \$40,000,000 Public Power Revenue Bonds, 1981 Series A, and its \$15,000,000 Public Power Revenue Bonds, 1982 Series A, and has assigned to the Bank of Montreal (California) (the "Bank") its rights to receive certain payments under the member agreement relating to Project Number 2, to secure the obligation of the Northern California Municipal Power Corporation No. Two (the "Corporation") to the Bank under a Loan Agreement wherein the Corporation has borrowed the amount of \$45,000,000 from the Bank, such loan guaranteed by the United States Department of Energy, all to finance a portion of the costs of construction and acquisition of Project Number 2 (together, the "Outstanding Indebtedness"); and

WHEREAS, the Agency is considering the construction of an additional project for the generation and transmission of electric energy consisting of two 55 megawatt geothermal generating units and related facilities, including transmission, proposed to be constructed in Sonoma and Lake Counties, State of California, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto ("Project Number 3"); and

WHEREAS, the Agency proposes to issue, in accordance with the Agreement and the Joint Powers Act, from time to time, in one or more installments, its revenue refunding bonds and evidences of indebtedness (including refunding bonds) ("Public Power Revenue Refunding Bonds") to be outstanding at any one time in accordance with their terms in the estimated maximum aggregate principal amount of \$125,000,000 for the purpose of providing funds for the refinancing of all or a portion of the Outstanding Indebtedness; and

WHEREAS, notwithstanding the aforesaid estimated maximum aggregate principal amount of Public Power Revenue Refunding Bonds proposed to be issued by the Agency for the Project and to be outstanding at any one time in accordance with their terms, additional Public Power Revenue Refunding Bonds may be required to complete the refinancing of all or a portion of the Outstanding Indebtedness; and

WHEREAS, the Agency has entered or will enter into one or more agreements (the "Member Agreements") with certain entities (including two or more of the

Members"), pursuant to which the entities entering into such Member Agreements with the Agency (the "Participants") will, in the aggregate, purchase options and/or rights to purchase and/or receive 100% of the capacity and energy of Project Number 2, and, if so determined by the Agency, Project Number 3; and

WHEREAS, the Public Power Revenue Refunding Bonds are to be payable from funds held in trust for the benefit of the holders of such Bonds and from revenues of the Agency from Project Number 2, and, if so determined by the Agency, Project Number 3, including payments to be made by the Participants under the Member Agreements; and

WHEREAS, in accordance with the Joint Powers Act, the exercise by the Agency of its power to issue the Public Power Revenue Refunding Bonds is subject to the authorization of such issuance by the Members pursuant to Ordinance; and

WHEREAS, neither the payment of principal of the Public Power Revenue Refunding Bonds nor any part thereof nor interest thereon shall constitute a debt, liability or obligation of the City of Lodi; nor does this Ordinance commit the City of Lodi to take or pay for any capacity or energy of the Project.

NOW, THEREFORE, the City Council of the City of Lodi does ordain as follows:

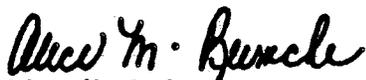
1. The issuance and sale by the Agency, from time to time, in one or more installments, of its Public Power Revenue Refunding Bonds outstanding at any one time in accordance with their terms in a maximum aggregate principal amount of \$125,000,000 is hereby authorized. Notwithstanding such maximum aggregate principal amount, the Agency is hereby authorized to issue additional principal amounts of its Public Power Revenue Refunding Bonds if and to the extent required to complete the refinancing of the Project. The proceeds from the sale of the Public Power Revenue Refunding Bonds hereby authorized are to be used for the refinancing of all or a portion of the Outstanding Indebtedness, including interest on such Bonds, deposits to reserves, all expenses incident to the calling retiring, or payment of any or all of the Outstanding Indebtedness, including the costs of issuing such Bonds and any premium necessary in the calling or retiring of the Outstanding Indebtedness. The Public Power Revenue Refunding Bonds hereby authorized, and premium and interest thereon, are to be payable from, and secured by, funds held in trust for the benefit of the holders of Public Power Revenue Refunding Bonds and from revenues of the Agency from Project Number 2, and, if so determined by the Agency, Project Number 3, including payments received by the Agency from the Participants under the Member Agreements.
2. Pursuant to Section 6547 of the Joint Powers Act, this Ordinance is subject to the provisions for referendum prescribed by Section 3751.7 of the Elections Code of the State of California.
3. The City Clerk shall certify to the enactment of this Ordinance and shall cause notice of the same to be published in accordance with Section 6040.1 of the Government Code of the State of California.

4. Sixty (60) days from and after its enactment, this Ordinance shall take effect and be in full force, in the manner provided by law.

THE FOREGOING ORDINANCE is approved, enacted and adopted by the City Council of the City of Lodi, this 27th day of October, 1982.


Fred M. Reid
Mayor

Attest:


Alice M. Reimche
City Clerk

State of California
County of San Joaquin, ss.

I, Alice M. Reimche, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1275 was introduced at a regular meeting of the City Council of the City of Lodi, held October 6, 1982 and was thereafter passed, adopted and ordered to print at an ajourned regular meeting of said Council held October 27, 1982 by the following vote:

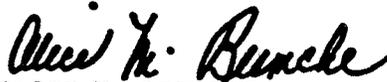
Ayes: Council Members - Murphy, Olson, Snider,
Pinkerton, and Reid (Mayor)

Noes: Council Members - None

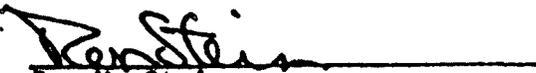
Absent: Council Members - None

Abstain: Council Members - None

I further certify that Ordinance No. 1275 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.


ALICE M. REIMCHE
City Clerk

Approved as to form


Ron M. Stein
City Attorney

NOTICE OF ORDINANCE SUBJECT TO REFERENDUM
CITY OF LODI
ORDINANCE NO. 1275
ADOPTED BY THE CITY COUNCIL OF THE CITY OF LODI
ON OCTOBER 27, 1982

Notice is hereby given that at an adjourned regular meeting of the City Council of the City of Lodi (the "City Council"), held on October 27, 1982, Ordinance No. 1275 (the "Ordinance") was adopted. The title and a summary of the Ordinance are set forth below. The Ordinance is subject to referendum, as discussed below.

Title

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LODI AUTHORIZING THE
ISSUANCE OF PUBLIC POWER REVENUE REFUNDING BONDS BY NORTHERN CALIFORNIA POWER
AGENCY

Summary

Pursuant to the Ordinance, the City Council has authorized the issuance and sale by Northern California Power Agency (the "Agency") of its revenue refunding bonds and evidences of indebtedness ("Public Power Revenue Refunding Bonds"), to mature on or before December 31, 2023 to be issued, from time to time, in one or more installments, in an estimate aggregate principal amount outstanding at any one time in accordance with their terms of \$125,000,000 and to bear interest at a probable overall rate of 13% per annum. The actual interest rates on each installment of such Public Power Revenue Refunding Bonds or the method of determining such rates will be determined by the Commission of the Agency in accordance with law at the time of issuance of such installment. Notwithstanding such maximum aggregate principal amounts of Public Power Revenue Refunding Bonds, the Agency is authorized, pursuant to the Ordinance, to issue additional principal amounts of its Public Power Revenue Refunding Bonds if and to the extent required to complete the financing of the Project discussed below.

The Agency was created pursuant to a Joint Powers Agreement, as amended (the "Agreement"), heretofore entered into between the City of Lodi and certain other public agencies created pursuant to the laws of the State of California (collectively, the "Members") pursuant to the provisions of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"). The Agency is a public entity separate and apart from the Members. The Agency, in accordance with the Joint Powers Act and the Agreement, has entered or will enter into agreements to acquire and construct (or cause to be acquired and constructed) a project for the generation and transmission of electric energy consisting of certain geothermal generating units (known as Geothermal Project Number 2) and related facilities, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto ("Project Number 2"). The Agency has heretofore issued its \$40,000,000 Public Power Revenue Bonds, 1981 Series A, and its \$15,000,000 Public Power Revenue Bonds, 1982 Series A, and has assigned to the Bank of Montreal (California) (the "Bank") its rights to receive certain payments under the member agreement relating to Project Number 2, to secure the obligation of the Northern California Municipal Power Corporation No. Two (the "Corporation") to the Bank under a Loan Agreement wherein the Corporation has borrowed the amount of \$45,000,000 from the Bank, such loan guaranteed by the

United States Department of Energy, all to finance a portion of the costs of construction and acquisition of Project Number 2 (together, the "Outstanding Indebtedness"). The Agency is considering the construction of an additional project for the generation and transmission of electric energy consisting of two 55 megawatt geothermal generating units and related facilities, including transmission, proposed to be constructed in Sonoma and Lake Counties, State of California, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto ("Project Number 3"). The Agency has entered or will enter into one or more agreements (the "Member Agreements") with certain entities (including two or more of the Members), pursuant to which the entities entering into such Member Agreements with the Agency (the "Participants") will, in the aggregate, purchase options and/or rights to purchase and/or receive 100% of the capacity and energy of the Project.

Neither the payment of principal of the Public Power Revenue Refunding Bonds nor any part thereof nor interest thereon will constitute a debt, liability or obligation of the City of Lodi; nor does the Ordinance commit the City of Lodi to take or pay for any capacity or energy of the Project.

THE AGENCY PROPOSES TO ISSUE, IN ACCORDANCE WITH THE AGREEMENT AND THE JOINT POWERS ACT, ITS PUBLIC POWER REVENUE REFUNDING BONDS TO PROVIDE FUNDS FOR THE REFINANCING OF ALL OR A PORTION OF THE OUTSTANDING INDEBTEDNESS. THE PUBLIC POWER REVENUE REFUNDING BONDS ARE TO BE PAYABLE FROM FUNDS HELD IN TRUST FOR THE BENEFIT OF THE HOLDERS OF SUCH BONDS AND FROM REVENUES OF THE AGENCY FROM PROJECT NUMBER 2 AND, IF SO DETERMINED BY THE AGENCY, PROJECT NUMBER 3, INCLUDING PAYMENTS TO BE MADE BY THE PARTICIPANTS UNDER THE MEMBER AGREEMENTS.

THE ORDINANCE AUTHORIZING THE ISSUANCE OF THE PUBLIC POWER REVENUE REFUNDING BONDS IS SUBJECT TO REFERENDUM. UPON PRESENTATION (WITHIN THE TIME PERIOD SPECIFIED BY LAW) OF A PETITION (BEARING SIGNATURES, IN AT LEAST THE NUMBER REQUIRED BY THE LAW) PROTESTING AGAINST THE ADOPTION OF THE ORDINANCE, THE CITY COUNCIL IS REQUIRED TO RECONSIDER THE ORDINANCE. THEREUPON, IF THE CITY COUNCIL DOES NOT ENTIRELY REPEAL THE ORDINANCE, THE ORDINANCE SHALL BE SUBMITTED (UNDER BALLOT WORDING PRESCRIBED BY LAW) TO THE VOTERS AT A REGULAR OR SPECIAL ELECTION AND THE ORDINANCE SHALL NOT BECOME EFFECTIVE UNTIL A MAJORITY OF THE VOTERS VOTING ON THE ORDINANCE VOTE IN FAVOR OF IT. THE FOREGOING DESCRIPTION OF THE PROCEDURES FOR REFERENDUM IS BASED UPON THE APPLICABLE REFERENDUM PROVISIONS OF THE CALIFORNIA ELECTIONS CODE AND THE CALIFORNIA GOVERNMENT CODE. REFERENCE IS MADE TO THE CALIFORNIA ELECTIONS CODE AND THE CALIFORNIA GOVERNMENT CODE FOR A COMPLETE STATEMENT OF SUCH PROVISIONS.

THE FOREGOING DOCUMENT IS CERTIFIED
TO BE A CORRECT COPY OF THE ORIGINAL
ON FILE IN THIS OFFICE

MILDITH JOHNSON
DEPUTY CITY CLERK, CITY OF LODI

BY *[Signature]*
DATED 12-1-82

ORDINANCE NO. 1276

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LODI, APPROVING THE TERMS AND CONDITIONS OF AMENDMENT NO. TWO TO THE MEMBER AGREEMENT (SECOND PHASE) FOR FINANCING AND DEVELOPMENT ACTIVITIES OF THE SHELL EAST BLOCK GEOTHERMAL PROJECT BETWEEN NORTHERN CALIFORNIA POWER AGENCY AND CERTAIN PARTICIPATING MEMBERS, AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF SAID AMENDMENT BY OFFICERS OF THE CITY OF LODI

WHEREAS, pursuant to the provisions of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"), the City of Lodi and certain other public agencies created pursuant to the laws of the State of California (collectively, the "Members"), have entered into a Joint Powers Agreement (the "Agreement"), as amended, creating the Northern California Public Agency (the "Agency"), a public entity separate and apart from the Members; and

WHEREAS, in accordance with the Agreement and the Joint Powers Act, the Agency and certain participating members of the Agency (the "Project Members") have entered into the Member Agreement (Second Phase) for Financing of Planning and Development Activities of the Shell East Block Geothermal Project, dated as of June 1, 1981, as amended by Amendment No. One thereto, dated June 1, 1981 (herein called the "Principal Agreement"); and

WHEREAS, pursuant to Section 6 of the Principal Agreement, each Project Member agreed to a total financing commitment for its respective percentage participation of a total sum, including payments and advances theretofore made, of up to \$5,500,000 in costs as authorized and approved by the Project Members; and

WHEREAS, pursuant to Section 6 of the Principal Agreement, the Project Members may, from time to time as needs arise, authorize an increased financial commitment above \$5,500,000 which can be shown to support the completion of the Project; and

WHEREAS, it has been determined by the Agency and the Project Members, that it is necessary to increase the financial commitment of each Project Member for its respective percentage participation of the total sum in order to complete the Project to the principal amount of \$30,000,000 plus amounts necessary to pay interest expense on such principal amount; and

WHEREAS, the Agency and the Project Members have determined to amend the Principal Agreement so as to clarify the definition of the term "Project" therein; and

WHEREAS, the Agency and the Project Members have determined to amend the Principal Agreement so as to clarify which "costs" are authorized by the Project Members; and

WHEREAS, the Agency and the Project Members have determined to amend the provisions of the Principal Agreement regarding the term of the Principal Agreement; and

WHEREAS, this City Council finds and determines that it is in the best interests of the customers of the electric system of the City of Lodi for the City of Lodi that the Principal Agreement be so amended:

NOW, THEREFORE, the City Council of the City of Lodi does ordain as follows:

1. The City Council hereby finds and determines that Amendment No. Two to the Principal Agreement be, and the same is hereby; approved.
2. The Mayor and City Clerk are authorized to execute and deliver said Amendment by and on behalf of the City of Lodi.
3. Pursuant to Section 54241 of the Government Code of the State of California, this Ordinance is subject to the provisions for referendum applicable to the city of Lodi.
4. The City Clerk shall certify to the enactment of this Ordinance and shall cause this Ordinance to be published in accordance with Section 54242 of the Government Code of the State of California.
5. Thirty (30) days from and after its enactment, this Ordinance shall take effect and be in full force, in the manner provided by law.

ADOPTED by the City Council and signed by the Mayor and attested by the City Clerk this 27th day of October, 1982.

Fred M. Reid

Fred M. Reid
Mayor of the City of Lodi

Attest:

Alice M. Reimche

Alice M. Reimche
City Clerk of the City of Lodi

State of California
County of San Joaquin, ss.

I, Alice M. Reimche, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1276 was introduced at a regular meeting of the City Council of the City of Lodi held October 6, 1982 and was thereafter passed, adopted and ordered to print at an adjourned regular meeting of said Council held October 27, 1982 by the following vote:

Ayes: Council Members - Murphy, Olson, Pinkerton,
Snider, and Reid (Mayor)

Noes: Council Members - None

Absent: Council Members - None

Abstain: Council Members - None

I further certify that Ordinance No. 1276 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

Alice M. Reimche
ALICE M. REIMCHE
City Clerk

Approved as to form

Ron M. Stein
Ron M. Stein
City Attorney

THE FOREGOING DOCUMENT IS CERTIFIED
TO BE A CORRECT COPY OF THE ORIGINAL
ON FILE WITH THIS OFFICE

JENNIFER HARRISON
DEPUTY CITY CLERK CITY OF LOUISIANA

BY *Jennifer Harrison*
DATED 12-1-82

PROOF OF PUBLICATION

(2015.5 C.C.P.)

STATE OF CALIFORNIA,

County of San Joaquin.

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am the principal clerk of the printer of the Lodi News-Sentinel, a newspaper of general circulation, printed and published daily, except Sundays and holidays, in the City of Lodi, California, County of San Joaquin, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court, Department 3, of the County of San Joaquin, State of California, under the date of May 26th, 1953, Case Number 65990; that the notice, of which the annexed is a printed copy (set in type not smaller than nonpareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

Nov. 8, 9, 10, 12, 13,

all in the year 1982

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at Lodi, California, this 13th day of

Nov. 1982.

[Signature]
Signature

This space is for the Count:

Proof of Publication of

\$510.83

ORDINANCE NO. 1273

ORDINANCE NO. 1273
OF THE CITY COUNCIL
OF THE CITY OF LODI AUTHORIZING
THE ISSUANCE OF PUBLIC POWER
REVENUE BONDS BY NORTHERN
CALIFORNIA POWER AGENCY
(GEOTHERMAL GENERATING PRO-
JECT NUMBER 2)

WHEREAS, pursuant to the provisions of Chapter 3, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"), the City of Lodi and certain other public agencies created pursuant to the laws of the State of California (collectively, the "Members"), have entered into a Joint Powers Agreement, as amended (the "Agreement"), creating the Northern California Power Agency (the "Agency"), a public entity separate and apart from the Members; and

WHEREAS, in accordance with the Agreement and the Joint Powers Act, the Agency has entered or will enter into agreements to acquire and construct (or to cause to be acquired and constructed) a project for the generation and transmission of electric energy consisting of two 30 megawatt geothermal generating units and related facilities, including transmission, proposed to be constructed in Sonoma and Lake Counties, State of California, and capital improvements thereto that may be constructed from time to time, and hereinafter in certain other property and rights relating thereto, including, without limitation, such interest in the Agency's Geothermal Generating Project Number 2, as the Agency may determine (the "Project"); and

WHEREAS, the Agency proposes to issue, in accordance with the Agreement and the Joint Powers Act, from time to time, in one or more installments, its "Notes" (including evidences of indebtedness (including refunding bonds) ("Public Power Revenue Bonds") to be outstanding at any one time in accordance with their terms in the estimated maximum aggregate principal amount of \$200,000,000, for the purpose of providing funds for the acquisition, construction and financing of the Project, and

WHEREAS, the Agency also proposes to issue its notes and other evidences of indebtedness (including refunding notes) ("Notes") for the purpose of financing studies, the acquisition of options, permits, and other preliminary costs to be incurred prior to the undertaking of the construction or acquisition of the Project and for the purpose of providing temporary financing of costs of acquisition and

subject to the provisions for referendum prescribed by Section 3751.7 of the Elections Code of the State of California.

3. The City Clerk shall certify to the enactment of this Ordinance and shall cause notice of the same to be published in accordance with Section 5040.1 of the Government Code of the State of California.

4. Forty (40) days from and after its enactment, this Ordinance shall take effect and be in full force, in the manner provided by law.

THE FOREGOING ORDINANCE is approved, enacted and adopted by the City Council of the City of Lodi, this 27th day of October, 1982.

Fred M. Reid
Mayor
Attest:
Alice M. Rimache
City Clerk
State of California
County of San Joaquin, ss.

I, Alice M. Rimache, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1273 was introduced at a regular meeting of the City Council of the City of Lodi held October 6, 1982 and was thereafter passed, adopted and ordered to print at an adjourned regular meeting of said Council held October 27, 1982 by the following vote:

Ayes, Council Members — Olson, Reid, Murphy, Pinkerton, and Reid (Mayor)
Nays, Council Members — None
Abstain, Council Members — None

I further certify that Ordinance No. 1273 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

ALICE M. RIMACHE
City Clerk
Approved as to form
Ronald M. Stein
City Attorney

NOTICE OF ORDINANCE
SUBJECT TO REFERENDUM
CITY OF LODI

ORDINANCE NO. 1273
ADOPTED BY THE CITY COUNCIL OF
THE CITY OF LODI ON OCTOBER
27, 1982

Notice is hereby given that at an adjourned regular meeting of the City Council of the City of Lodi (the "City Council"), held on October 27, 1982, Ordinance No. 1273 (the "Ordinance") was adopted. The title and a summary of the Ordinance are set forth below. The Ordinance is subject to referendum, as discussed below.

TITLE
ORDINANCE OF THE CITY COUNCIL
OF THE CITY OF LODI AUTHORIZING
THE ISSUANCE OF PUBLIC POWER
REVENUE BONDS BY NORTHERN
CALIFORNIA POWER AGENCY
(GEOTHERMAL GENERATING UNITS
"SAND 4" PROJECT)

SUMMARY
Pursuant to the Ordinance, the City Council has authorized the issuance and sale by Northern California Power Agency (the "Agency") of its revenue bonds and evidences of indebtedness ("Public Power Revenue Bonds") to mature on or before December 31, 2022, to be issued, from time to time, in one or more installments, in an estimate aggregate principal amount outstanding at any one time in accordance with their terms of \$200,000,000 and to bear interest at a probable overall rate of 4% per annum. The actual interest rates on each installment of such Public Power Revenue Bonds and the method of determining such rates will be determined by the Commission of the Agency in accordance with the terms of the Ordinance and such installment. Notwithstanding such maximum aggregate principal amount of Public Power Revenue Bonds, the Agency is authorized, pursuant to the Ordinance, to issue additional principal amounts of its Public Power Revenue Bonds if and to the extent required to complete the financing of the Project discussed below.

The Agency was created pursuant to a Joint Powers Agreement, as amended (the "Agreement"), heretofore entered into between the City of Lodi and certain other public agencies created pursuant to the laws of the State of California (collectively, the "Members") pursuant to the provisions of Chapter 3, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"). The Agency is a public entity separate and apart from the Members. The Agency — in accordance with the Joint Powers Act and the Agreement, has entered or will enter into agreements to acquire and construct (or cause to be acquired and constructed) a project for the generation and transmission of electric energy consisting of two 30 megawatt geothermal generating units and related facilities, including transmission, proposed to be constructed in Sonoma and Lake Counties, State of California, and capital improvements thereto that may be constructed from time to time, and hereinafter in certain other property and rights relating thereto, including, without limitation, such interest in the Agency's Geothermal Generating Project Number 2, as the Agency may determine (the "Project").

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construction of the Project; and
WHEREAS, notwithstanding the aforesaid estimated maximum aggregate principal amount of Public Power Revenue Bonds proposed to be issued by the Agency for the Project and to be outstanding at any one time in accordance with their terms, additional Public Power Revenue Bonds may be required to complete the financing of the Project; and

WHEREAS, the Agency has entered or will enter into one or more agreements (the "Member Agreements") with certain entities (including two or more of the Members) pursuant to which the entities entering into such Member Agreements with the Agency (the "Participants") will, in the aggregate, purchase options and/or rights to purchase and/or receive 100% of the capacity and energy of the Project; and

WHEREAS, the Public Power Revenue Bonds are to be payable from funds held in trust for the benefit of the holders of such Bonds and from revenues of the Agency from the Project, including payments to be made by the participants under the Member Agreements; and

WHEREAS, the Notes are to be payable from proceeds of renewal Notes and the proceeds of the Public Power Revenue Bonds and, to the extent not so paid, may be payable from revenues of the Agency from the Project, including payments to be made by the Participants under the Member Agreements; and

WHEREAS, in accordance with the Joint Powers Act, the exercise by the Agency of its power to issue the Public Power Revenue Bonds is subject to the authorization of such issuance by the Members pursuant to ordinance; and

WHEREAS, neither the payment of principal of the Public Power Revenue Bonds nor any part thereof nor interest thereon shall constitute a debt, liability or obligation of the City of Lodi; nor does this Ordinance commit the City of Lodi to take or pay for any capacity or energy of the Project.

NOW, THEREFORE, the City Council of the City of Lodi does ordain as follows:

1. The issuance and sale by the Agency, from time to time, in one or more installments, of its Public Power Revenue Bonds outstanding at any one time in accordance with their terms to a maximum aggregate principal amount of \$300,000,000 is hereby authorized. Notwithstanding such maximum aggregate principal amount, the Agency is hereby authorized to issue additional principal amounts of its Public Power Revenue Bonds if and to the extent required to complete the financing of the Project. The proceeds from the sale of the Public Power Revenue Bonds hereby authorized are to be used for the acquisition, construction and financing of the Project, including interest on such Bonds and deposits to reserves, and to pay the principal, premium, if any, and interest on the Notes of the Agency when due. The Public Power Revenue Bonds hereby authorized, and premium and interest thereon, are to be payable from, and secured by, funds held in trust for the benefit of the holders of Public Power Revenue Bonds and from revenues of the Agency from the Project, including payments received by the Agency from the Participants under the Member Agreements.

2. Pursuant to Section 6547 of the Joint Powers Act, this Ordinance is subject to the provisions for referendum prescribed by Section 3731.7 of the Elections Code of the State of California.

3. The City Clerk shall certify to the enactment of this Ordinance and shall cause notice of the same to be published in accordance with Section 6040.1 of the Government Code of the State of California.

4. Sixty (60) days from and after its enactment, this Ordinance shall take effect and be in full force, in the manner provided by law.

THE FOREGOING ORDINANCE is approved, enacted and adopted by the City Council of the City of Lodi, this 27th day of October, 1982.

Fred M. Reid

determine (the "Project"). The Agency has entered or will enter into one or more agreements (the "Member Agreements") with certain entities (including two or more of the Members) pursuant to which the entities entering into such Member Agreements with the Agency (the "Participants") will, in the aggregate, purchase options and/or rights to purchase and/or receive 100% of the capacity and energy of the Project. The City Council heretofore has authorized, by ordinance, the issuance and sale by the Agency of its notes and evidences of indebtedness (including renewal notes) ("Notes") for the of financing studies, the acquisition of options, permits; and other preliminary costs to be incurred prior to the undertaking of the construction or acquisition of the Project and for the purpose of providing temporary financing of costs of acquisition and construction of the Project. The Notes are to be payable from the proceeds of renewal Notes and the proceeds of the Public Power Revenue Bonds authorized by the Ordinance and, to the extent not so paid, may be payable from revenues of the Agency from the Project, including payments to be made by the Participants under the Member Agreements.

Neither the payment of principal of the Public Power Revenue Bonds nor any part thereof nor interest thereon will constitute a debt, liability or obligation of the City of Lodi; nor does the Ordinance commit the City of Lodi to take or pay for any capacity or energy of the Project.

The Agency proposes to issue, in accordance with the agreement and the joint powers act, its Public Power Revenue Bonds to provide funds for the acquisition, construction and financing of the project. The Public Power Revenue Bonds are to be payable from funds held in trust for the benefit of the holders of such bonds and from revenues of agency from the project, including payments to be made by the participants under the member agreements.

The ordinance authorizing the issuance of the Public Power Revenue Bonds is subject to referendum. Upon presentation (within the time period specified by law) of a petition (bearing signatures, in at least the number required by the law) protesting against the adoption of the ordinance, the city council is required to reconsider the ordinance. Thereupon, if the City Council does not entirely repeal the ordinance, the ordinance shall be submitted (under ballot wording prescribed by law) to the voters at a regular or special election and the ordinance shall become effective until a majority of the voters voting on the ordinance vote in favor of it. The foregoing description of the procedures for referendum is based upon the applicable referendum provisions of the California elections code and the California government code. Reference is made to the California elections code and the California government code for a complete statement of such provisions.
Nov. 8, 9, 10, 12, 13, 1982

-3112



PROOF OF PUBLICATION

(2015.5 C.C.P.)

STATE OF CALIFORNIA,

County of San Joaquin.

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am the principal clerk of the printer of the Lodi News-Sentinel, a newspaper of general circulation, printed and published daily, except Sundays and holidays, in the City of Lodi, California, County of San Joaquin, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court, Department 3, of the County of San Joaquin, State of California, under the date of May 26th, 1953, Case Number 65990; that the notice, of which the annexed is a printed copy (set in type not smaller than nonpareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

Nov. 8, 9, 10, 12, 13,

all in the year 19 82

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at Lodi, California, this 13th day of

Nov. 1982

[Signature] Signature

This space is for the County Clerk

\$499.80

Proof of Publication of

ORDINANCE 1274

PUBLIC NOTICE

ORDINANCE NO. 1274 OF THE CITY COUNCIL OF THE CITY OF LODI AUTHORIZING THE ISSUANCE OF NOTES BY NORTHERN CALIFORNIA POWER AGENCY (GEOTHERMAL GENERATING PROJECT NUMBER 3)

WHEREAS, pursuant to the provisions of Chapter 2, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"), the City of Lodi and certain other public agencies created pursuant to the laws of the State of California (collectively, the "Members"), have entered into a Joint Powers Agreement, as amended (the "Agreement"), creating the Northern California Power Agency (the "Agency"), a public entity separate and apart from the Members; and

WHEREAS, in accordance with the Agreement and the Joint Powers Act, the Agency has entered or will enter into agreements to acquire and construct (or cause to be acquired and constructed) a project for the generation and transmission of electric energy consisting of two 36 megawatt geothermal generating units and related facilities, including transmission lines, proposed to be constructed in Sanoma and Lake Counties, State of California, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto, including, without limitation, such interests in the Agency's Geothermal Generating Project Number 2, as the Agency may determine (the "Project"); and

WHEREAS, the Agency proposes to issue, in accordance with the Agreement and the Joint Powers Act, from time to time, in one or more installments, its notes and other evidences of indebtedness (including "Notes") to be outstanding at any one time in accordance with their terms in the estimated maximum aggregate principal amount of \$300,000,000, for the purpose of financing, in whole or in part, the acquisition of system permits, and other preliminary costs to be incurred prior to the undertaking of the construction or acquisition of the Project and for the purpose of providing temporary financing of costs of acquisition and construction of the Project, and

WHEREAS, the Agency also proposes to issue its covered bonds and other evidences of indebtedness (including

cluding interest on the Notes; the Notes hereby authorized are to be redeemable from time to time and such Notes, and premium, if any, and interest thereon, are to be payable from proceeds of covered bonds and the proceeds of Public Power Revenue Bonds of the Agency and, to the extent not so paid, may be payable from revenues of the Agency from the Project, including payments received by the Agency from the Participants under the Member Agreements.

2. Pursuant to Section 6549 of the Joint Powers Act, this Ordinance is subject to the provisions for referendum prescribed by Section 3751.7 of the Elections Code of the State of California.

3. The City Clerk shall certify to the enactment of this Ordinance and shall cause notice of the same to be published in accordance with Section 6048.1 of the Government Code of the State of California.

4. Sixty (60) days from and after its enactment, this Ordinance shall take effect and be in full force, in the manner provided by law.

THE FOREGOING ORDINANCE is approved, enacted and adopted by the City Council of the City of Lodi this 27th day of October, 1982.

Fred M. Reid Mayor

ATTEST, Alice M. Reimche City Clerk

State of California County of San Joaquin, ss.

I, Alice M. Reimche, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1274 was introduced at a regular meeting of the City Council of the City of Lodi held on October 27, 1982 and was thereafter passed, adopted and ordered to print at an adjourned regular meeting of said Council held October 27, 1982 by the following vote:

Ayes: Council Members - Olson, Sneider, Murphy, Pinkerton, and Reid

Noes: Council Members - None

Absent: Council Members - None

Absent: Council Members - None

I further certify that Ordinance No. 1274 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

ALICE M. REIMCHE City Clerk

Approved as to form Ronald M. Stein City Attorney

NOTICE OF ORDINANCE SUBJECT TO REFERENDUM CITY OF LODI

ORDINANCE NO. 1274 ADOPTED BY THE CITY COUNCIL OF THE CITY OF LODI ON OCTOBER 27, 1982

Notice is hereby given that at an adjourned regular meeting of the City Council of the City of Lodi (the "City Council") held on October 27, 1982, Ordinance No. 1274 (the "Ordinance") was adopted. The title and summary of the Ordinance are set forth below. The Ordinance is subject to referendum, as discussed below.

TITLE OF THE CITY COUNCIL OF THE CITY OF LODI AUTHORIZING THE ISSUANCE OF NOTES BY NORTHERN CALIFORNIA POWER AGENCY (GEOTHERMAL GENERATING UNITS PROJECT)

Pursuant to the Ordinance, the City Council has authorized the issuance and sale by Northern California Power Agency (the "Agency") of its notes and other evidences of indebtedness (including covered bonds) ("Notes"), such to mature within seven years from the date of issuance thereof, to be issued, from time to time, in one or more installments, in an estimated aggregate principal amount outstanding at any one time in accordance with their terms of \$300,000,000 and to bear interest at a probable overall rate of 11% per annum. The actual interest rates of each installment of such Notes or the method of determining such rates will be determined by the Commission of the Agency in accordance with law at the time of issuance of such Notes.

Notwithstanding such maximum aggregate principal amount of Notes, the Agency is authorized, pursuant to the Ordinance, to issue additional principal amounts of its Notes if and to the extent required to complete the financing of the Project discussed below.

The Agency was created pursuant to a Joint Powers Agreement, as amended (the "Agreement"), heretofore entered into between the City of Lodi and certain other public agencies created pursuant to the laws of the State of California (collectively, the "Members") pursuant to the provisions of Chapter 2, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"). The Agency is a public entity separate and apart from the Members. The Agency, in accordance with the Joint Powers Act and the Agreement, has entered or will enter into agreements to acquire and construct (or cause to be acquired and constructed) a project for the generation and transmission of electric energy consisting of two 36 megawatt geothermal generating units and related facilities, including transmission lines, proposed to be constructed in Sanoma and Lake Counties, State of California, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto, including, without limitation, such interests in the Agency's Geothermal Generating Project Number 2, as the Agency may determine (the "Project"); and

WHEREAS, the Agency proposes to issue, in accordance with the Agreement and the Joint Powers Act, from time to time, in one or more installments, its notes and other evidences of indebtedness (including "Notes") to be outstanding at any one time in accordance with their terms in the estimated maximum aggregate principal amount of \$300,000,000, for the purpose of financing, in whole or in part, the acquisition of system permits, and other preliminary costs to be incurred prior to the undertaking of the construction or acquisition of the Project and for the purpose of providing temporary financing of costs of acquisition and construction of the Project, and

WHEREAS, the Agency also proposes to issue its covered bonds and other evidences of indebtedness (including

cluding interest on the Notes; the Notes hereby authorized are to be redeemable from time to time and such Notes, and premium, if any, and interest thereon, are to be payable from proceeds of covered bonds and the proceeds of Public Power Revenue Bonds of the Agency and, to the extent not so paid, may be payable from revenues of the Agency from the Project, including payments received by the Agency from the Participants under the Member Agreements.

2. Pursuant to Section 6549 of the Joint Powers Act, this Ordinance is subject to the provisions for referendum prescribed by Section 3751.7 of the Elections Code of the State of California.

3. The City Clerk shall certify to the enactment of this Ordinance and shall cause notice of the same to be published in accordance with Section 6048.1 of the Government Code of the State of California.

4. Sixty (60) days from and after its enactment, this Ordinance shall take effect and be in full force, in the manner provided by law.

THE FOREGOING ORDINANCE is approved, enacted and adopted by the City Council of the City of Lodi this 27th day of October, 1982.

Fred M. Reid Mayor

ATTEST, Alice M. Reimche City Clerk

State of California County of San Joaquin, ss.

I, Alice M. Reimche, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1274 was introduced at a regular meeting of the City Council of the City of Lodi held on October 27, 1982 and was thereafter passed, adopted and ordered to print at an adjourned regular meeting of said Council held October 27, 1982 by the following vote:

Ayes: Council Members - Olson, Sneider, Murphy, Pinkerton, and Reid

Noes: Council Members - None

Absent: Council Members - None

Absent: Council Members - None

I further certify that Ordinance No. 1274 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

ALICE M. REIMCHE City Clerk

Approved as to form Ronald M. Stein City Attorney

NOTICE OF ORDINANCE SUBJECT TO REFERENDUM CITY OF LODI

ORDINANCE NO. 1274 ADOPTED BY THE CITY COUNCIL OF THE CITY OF LODI ON OCTOBER 27, 1982

Notice is hereby given that at an adjourned regular meeting of the City Council of the City of Lodi (the "City Council") held on October 27, 1982, Ordinance No. 1274 (the "Ordinance") was adopted. The title and summary of the Ordinance are set forth below. The Ordinance is subject to referendum, as discussed below.

TITLE OF THE CITY COUNCIL OF THE CITY OF LODI AUTHORIZING THE ISSUANCE OF NOTES BY NORTHERN CALIFORNIA POWER AGENCY (GEOTHERMAL GENERATING UNITS PROJECT)

Pursuant to the Ordinance, the City Council has authorized the issuance and sale by Northern California Power Agency (the "Agency") of its notes and other evidences of indebtedness (including covered bonds) ("Notes"), such to mature within seven years from the date of issuance thereof, to be issued, from time to time, in one or more installments, in an estimated aggregate principal amount outstanding at any one time in accordance with their terms of \$300,000,000 and to bear interest at a probable overall rate of 11% per annum. The actual interest rates of each installment of such Notes or the method of determining such rates will be determined by the Commission of the Agency in accordance with law at the time of issuance of such Notes.

Notwithstanding such maximum aggregate principal amount of Notes, the Agency is authorized, pursuant to the Ordinance, to issue additional principal amounts of its Notes if and to the extent required to complete the financing of the Project discussed below.

The Agency was created pursuant to a Joint Powers Agreement, as amended (the "Agreement"), heretofore entered into between the City of Lodi and certain other public agencies created pursuant to the laws of the State of California (collectively, the "Members") pursuant to the provisions of Chapter 2, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"). The Agency is a public entity separate and apart from the Members. The Agency, in accordance with the Joint Powers Act and the Agreement, has entered or will enter into agreements to acquire and construct (or cause to be acquired and constructed) a project for the generation and transmission of electric energy consisting of two 36 megawatt geothermal generating units and related facilities, including transmission lines, proposed to be constructed in Sanoma and Lake Counties, State of California, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto, including, without limitation, such interests in the Agency's Geothermal Generating Project Number 2, as the Agency may determine (the "Project"); and

WHEREAS, the Agency proposes to issue, in accordance with the Agreement and the Joint Powers Act, from time to time, in one or more installments, its notes and other evidences of indebtedness (including "Notes") to be outstanding at any one time in accordance with their terms in the estimated maximum aggregate principal amount of \$300,000,000, for the purpose of financing, in whole or in part, the acquisition of system permits, and other preliminary costs to be incurred prior to the undertaking of the construction or acquisition of the Project and for the purpose of providing temporary financing of costs of acquisition and construction of the Project, and

WHEREAS, the Agency also proposes to issue its covered bonds and other evidences of indebtedness (including

cluding interest on the Notes; the Notes hereby authorized are to be redeemable from time to time and such Notes, and premium, if any, and interest thereon, are to be payable from proceeds of covered bonds and the proceeds of Public Power Revenue Bonds of the Agency and, to the extent not so paid, may be payable from revenues of the Agency from the Project, including payments received by the Agency from the Participants under the Member Agreements.

2. Pursuant to Section 6549 of the Joint Powers Act, this Ordinance is subject to the provisions for referendum prescribed by Section 3751.7 of the Elections Code of the State of California.

3. The City Clerk shall certify to the enactment of this Ordinance and shall cause notice of the same to be published in accordance with Section 6048.1 of the Government Code of the State of California.

4. Sixty (60) days from and after its enactment, this Ordinance shall take effect and be in full force, in the manner provided by law.

THE FOREGOING ORDINANCE is approved, enacted and adopted by the City Council of the City of Lodi this 27th day of October, 1982.

Fred M. Reid Mayor

ATTEST, Alice M. Reimche City Clerk

State of California County of San Joaquin, ss.

I, Alice M. Reimche, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1274 was introduced at a regular meeting of the City Council of the City of Lodi held on October 27, 1982 and was thereafter passed, adopted and ordered to print at an adjourned regular meeting of said Council held October 27, 1982 by the following vote:

Ayes: Council Members - Olson, Sneider, Murphy, Pinkerton, and Reid

Noes: Council Members - None

Absent: Council Members - None

Absent: Council Members - None

I further certify that Ordinance No. 1274 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

ALICE M. REIMCHE City Clerk

Approved as to form Ronald M. Stein City Attorney

NOTICE OF ORDINANCE SUBJECT TO REFERENDUM CITY OF LODI

John S. Hollans
Signature

PROOF OF PUBLI

mine (the "Project"); and

WHEREAS, the Agency proposes to issue in accordance with the Agreement and the Joint Powers Act, from time to time, in one or more installments, its notes and other evidences of indebtedness (including renewal notes) ("Notes") to be outstanding at any one time in accordance with their terms in the estimated maximum aggregate principal amount of \$300,000,000, for the purpose of financing studies, the acquisition of options, permits, and other preliminary costs to be incurred prior to the undertaking of the construction or acquisition of the Project and for the purpose of providing temporary financing of costs of acquisition and construction of the Project, and

WHEREAS, the Agency also proposes to issue its revenue bonds and evidences of indebtedness ("Public Power Revenue Bonds") for the purpose of providing funds for the acquisition, construction and financing of the Project, and

WHEREAS, notwithstanding the aforesaid estimated maximum aggregate principal amount of Notes proposed to be issued by the Agency for the Project and to be outstanding at any one time in accordance with their terms, additional Notes may be required to complete the financing of the Project; and

WHEREAS, the Agency has entered or will enter into one or more agreements (the "Member Agreements") with certain entities (including two or more of the Members), pursuant to which the entities entering into such Member Agreements with the Agency (the "Participants") will, in the aggregate, purchase options and/or rights to purchase and/or receive 100% of the capacity and energy of the Project; and

WHEREAS, the Notes are to be renewable from time to time and payable from proceeds of renewal Notes and the proceeds of the Public Power Revenue Bonds and, to the extent not so paid, may be payable from revenues of the Agency from the Project, including payments to be made by the Participants under the Member Agreements; and

WHEREAS, in accordance with the Joint Powers Act, the exercise by the Agency of its power to issue the Notes is subject to the authorization of such issuance by the Members pursuant to Ordinance; and

WHEREAS, neither the payment of principal of the Notes nor any part thereof nor interest thereon shall constitute a debt, liability or obligation of the City of Lodi; nor does this Ordinance commit the City of Lodi to take or pay for any capacity or energy of the Project; and

WHEREAS, THIS City Council has authorized by Ordinance the issuance and sale by the Agency of its Public Power Revenue Bonds, the proceeds from the sale of which are to be used for the acquisition, construction and financing of the Project, including interest on such Bonds and deposits to reserves, and to pay the principal, premium, if any, and interest on the Notes authorized by this Ordinance when due.

NOW, THEREFORE, the City Council of the City of Lodi does ordain as follows:

1. The issuance and sale by the Agency from time to time, in one or more installments, of its Notes (including renewal Notes) outstanding at any one time in accordance with their terms in a maximum aggregate principal amount of \$300,000,000 is hereby authorized. Notwithstanding such maximum aggregate principal amount, the Agency is hereby authorized to issue additional principal amounts of Notes if and to the extent required to complete the financing of the Project. The proceeds from the sale of the Notes hereby authorized are to be used for the financing of costs of acquisition and construction of the Project, in-

sions of Chapter 5, Division 7, Title of the Government Code of the State of California, as amended (the "Joint Powers Act"). The Agency is a public entity separate and apart from its Members. The Agency, in accordance with the Joint Powers Act and its Agreement, has entered or will enter into agreements to acquire and construct (or cause to be acquired or constructed) a project for the generation and transmission of electric energy consisting of two 55 megawatt geothermal generating units or related facilities, including transmission, proposed to be constructed Sonoma and Lake Counties, State of California, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto, including, without limitation, such interest in the Agency Geothermal Generating Project Number 2, as the Agency may determine (the "Project"). The Agency has entered or will enter into one or more agreements (the "Member Agreements") with certain entities (including two or more of the Members), pursuant to which the entities entering into such Member Agreements with the Agency (the "Participants") will, in the aggregate, purchase options and/or rights to purchase and/or receive 100% of the capacity and energy of the Project. The City Council heretofore has authorized, by ordinance, the issuance and sale by the Agency of its Public Power Revenue Bonds to provide funds for the acquisition, construction and financing of the Project. The Public Power Revenue Bonds are to be payable from funds held in trust for the benefit of the holders of such Bonds and from revenues of the Agency from the Project, including payments to be made by the Participants under the Member Agreements.

Neither the payment of principal of the Notes nor any part thereof nor interest thereon will constitute a debt, liability or obligation of the City of Lodi; nor does the Ordinance commit the City of Lodi to take or pay for any capacity or energy of the Project.

The Agency proposes to issue, in accordance with the agreement and the joint powers act, its Notes (including Renewal Notes) for the purpose of financing studies, the acquisition of options, permits, and other preliminary costs to be incurred prior to the undertaking of the construction or acquisition of the project and for the purpose of providing temporary financing of costs of acquisition and construction of the project. The Notes are payable from the proceeds of Renewal Notes and from the proceeds of the Public Revenue Bonds and, to the extent not so paid, may be payable from revenues of the agency from the project, including payments to be made by the participants under the member agreements.

The ordinance authorizing the issuance of the Notes is subject to referendum. Upon presentation (within the time period specified by law) of a petition (bearing signatures of at least the number required by the law) protesting against the adoption of the ordinance, the city council is required to reconsider the ordinance. Thereupon, if the City Council does not entirely repeal the ordinance, the ordinance shall be submitted (under ballot wording prescribed by law) to the voters at a regular or special election and the ordinance shall not become effective until a majority of the voters voting on the ordinance vote in favor of it. The foregoing description of the procedures for referendum is based upon the applicable referendum provisions of the California elections code and the California government code. Reference is made to the California elections code and the California government code for a complete statement of such provisions.

Nov. 8, 9, 10, 12, 13, 1982

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PROOF OF PUBLICATION

(2015.5 C.C.P.)

STATE OF CALIFORNIA,

County of San Joaquin.

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am the principal clerk of the printer of the Lodi News-Sentinel, a newspaper of general circulation, printed and published daily, except Sundays and holidays, in the City of Lodi, California, County of San Joaquin, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court, Department 3, of the County of San Joaquin, State of California, under the date of May 26th, 1953, Case Number 65990; that the notice, of which the annexed is a printed copy (set in type not smaller than nonpareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

Nov. 8, 9, 10, 12, 13,

all in the year 19..82

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at Lodi, California, this 13th day of

Nov., 19 82

Signature

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Proof of Publication of

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ORDINANCE NO. 1275

constructed a project for the generation and transmission of electric energy consisting of certain geothermal generating units (known as Geothermal Project Number 2) and related facilities, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto (Project Number 2); and

WHEREAS, the Agency has heretofore issued its \$40,000,000 Public Power Revenue Bonds, 1961 Series A, and its \$18,000,000 Public Power Revenue Bonds, 1962 Series A, and has assigned to the Bank of Montreal (California) (the "Bank") its rights to receive certain payments under the member agreement relating to Project Number 2, to secure the obligation of the Northern California Municipal Power Corporation No. Two (the "Corporation") to the Bank under a Loan Agreement wherein the Corporation has borrowed the amount of \$45,000,000 from the Bank, such loan guaranteed by the United States Department of Energy, all to finance a portion of the costs of construction and acquisition of Project Number 2 (together, the "Outstanding Indebtedness"); and

WHEREAS, the Agency is considering the construction of an additional project for the generation and transmission of electric energy consisting of two 50 megawatt geothermal generating units and related facilities, including transmission, proposed to be constructed in Fresno and Inyo Counties, State of California, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto (Project Number 2); and

WHEREAS, the Agency proposes to issue, in accordance with the Agreement and the Joint Powers Act, from time to time, in one or more installments, Public Power Revenue Refunding Bonds (Public Power Revenue Refunding Bonds) to be outstanding at any one time in accordance with their terms in the attached maximum aggregate principal amount of \$125,000,000 for the purpose of providing funds for the refinancing of all or a portion of the Outstanding Indebtedness; and

WHEREAS, notwithstanding the attached maximum aggregate principal amount of Public Power Revenue Refunding Bonds proposed to be issued by the Agency for the Project and to be outstanding at any one time in accordance with their terms, additional Public Power Revenue Refunding Bonds may be required to complete the refinancing of all or a portion of Outstanding Indebtedness; and

WHEREAS, the Agency has entered into certain loan or lease agreements (the "Member Agreements") with certain entities (including two or more of the Members) pursuant to which the entities entering into such Member Agreements with the Agency (the "Participants") will, in the aggregate, purchase options and/or rights to purchase and/or receive 100% of the capacity and energy of Project Number 2, and if so determined by the Agency, Project Number 2; and

WHEREAS, the Public Power Revenue Refunding Bonds are to be issued to the holders of such Bonds, and the proceeds of the Agency from Project Number 2, as determined by the Agency, from Project Number 2, including payments to be made by the Participants under the Member Agreements, shall be used to

Summary Pursuant to the Ordinance, the City Council has authorized the issuance and sale by Northern California Power Agency (the "Agency") of its revenue bonds and evidence of indebtedness ("Public Power Revenue Refunding Bonds"), to mature on or before December 31, 2023, to be issued, from time to time, in one or more installments, in an aggregate principal amount outstanding at any one time in accordance with their terms of \$125,000,000 and to bear interest at a variable overall rate of 12% per annum. The actual interest rates on each installment of such Public Power Revenue Refunding Bonds or the method of determining such rates will be determined by the Commission of the Agency in accordance with law or the terms of issuance of such installment. Notwithstanding such maximum aggregate principal amount of Public Power Revenue Refunding Bonds, the Agency is authorized, pursuant to the Ordinance, to issue additional principal amounts of its Public Power Revenue Refunding Bonds if and to the extent required to complete the financing of the Project discussed below.

The Agency was created pursuant to a Joint Powers Agreement, as amended (the "Agreement"), heretofore entered into between the City of Lodi and certain other public agencies created pursuant to the laws of the State of California (collectively, the "Members") pursuant to the provisions of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"). The Agency is a public entity separate and apart from the Members and the Agency, in accordance with the Joint Powers Act and the Agreement, has entered or will enter into agreements to acquire and construct (or cause to be acquired and constructed) a project for the generation and transmission of electric energy consisting of certain geothermal generating units (known as Geothermal Project Number 2) and related facilities, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto (Project Number 2). The Agency has heretofore issued its \$40,000,000 Public Power Revenue Bonds, 1961 Series A, and its \$18,000,000 Public Power Revenue Bonds, 1962 Series A, and has assigned to the Bank of Montreal (California) (the "Bank") its rights to receive certain payments under the member agreement relating to Project Number 2, to secure the obligation of the Northern California Municipal Power Corporation No. Two (the "Corporation") to the Bank under a Loan Agreement wherein the Corporation has borrowed the amount of \$45,000,000 from the Bank, such loan guaranteed by the United States Department of Energy, all to finance a portion of the costs of construction and acquisition of Project Number 2 (together, the "Outstanding Indebtedness"). The Agency is considering the construction of an additional project for the generation and transmission of electric energy consisting of two 50 megawatt geothermal generating units and related facilities, including transmission, proposed to be constructed in Fresno and Inyo Counties, State of California, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto (Project Number 2). The Agency proposes to issue, in accordance with the Agreement and the Joint Powers Act, from time to time, in one or more installments, Public Power Revenue Refunding Bonds (Public Power Revenue Refunding Bonds) to be outstanding at any one time in accordance with their terms in the attached maximum aggregate principal amount of \$125,000,000 for the purpose of providing funds for the refinancing of all or a portion of the Outstanding Indebtedness; and

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Handwritten Signature
Signature

PROOF OF PUI

... property and rights relating thereto ("Project Number 3"); and

WHEREAS, the Agency proposes to issue, in accordance with the Agreement and the Joint Powers Act, from time to time, in one or more installments, its revenue refunding bonds and evidences of indebtedness (including refunding bonds) ("Public Power Revenue Refunding Bonds") to be outstanding at any one time in accordance with their terms in the estimated maximum aggregate principal amount of \$125,000,000 for the purpose of providing funds for the refinancing of all or a portion of the Outstanding Indebtedness; and

WHEREAS, notwithstanding the aforesaid estimated maximum aggregate principal amount of Public Power Revenue Refunding Bonds proposed to be issued by the Agency for the Project and to be outstanding at any one time in accordance with their terms, additional Public Power Revenue Refunding Bonds may be required to complete the refinancing of all or a portion of Outstanding Indebtedness; and

WHEREAS, the Agency has entered or will enter into one or more agreements (the "Member Agreements") with certain entities (including two or more of the Members) pursuant to which the entities entering into such Member Agreements with the Agency (the "Participants") will, in the aggregate, purchase options and/or rights to purchase and/or receive 100% of the capacity and energy of Project Number 2, and, if so determined by the Agency, Project Number 3; and

WHEREAS, the Public Power Revenue Refunding Bonds are to be payable from funds held in trust for the benefit of the holders of such Bonds and from revenues of the Agency from Project Number 2, and, if so determined by the Agency, Project Number 3, including payments to be made by the Participants under the member Agreements; and

WHEREAS, in accordance with the Joint Powers Act, the exercise by the Agency of its power to issue the Public Power Revenue Refunding Bonds is subject to the authorization of such issuance by the Members pursuant to Ordinance; and

WHEREAS, neither the payment of principal of the Public Power Revenue Refunding Bonds nor any part thereof nor interest thereon shall constitute a debt, liability or obligation of the City of Lodi; nor does this Ordinance commit the City of Lodi to take or pay for any capacity or energy of the Project.
NOW, THEREFORE, the City Council of the City of Lodi does ordain as follows:

1. The issuance and sale by the Agency, from time to time, in one or more installments, of its Public Power Revenue Refunding Bonds outstanding at any one time in accordance with their terms in a maximum aggregate principal amount of \$125,000,000 is hereby authorized. Notwithstanding such maximum aggregate principal amount, the Agency is hereby authorized to issue additional principal amounts of its Public Power Revenue Refunding Bonds if and to the extent required to complete the refinancing of the Project. The proceeds from the sale of the Public Power Revenue Refunding Bonds hereby authorized are to be used for refinancing of all or a portion of the Outstanding Indebtedness, including interest on such Bonds, and deposits to reserves, all expenses incident to the calling, retiring, or payment of any or all of the Outstanding Indebtedness, including the costs of issuing such Bonds and any premium necessary in the calling or retiring of the Outstanding Indebtedness. The Public Power Revenue Refunding Bonds hereby authorized, and premium and interest thereon, are to be payable from, and secured by, funds held in trust for the benefit of the holders of Public Power Revenue Refunding Bonds and from revenues of the Agency from Project Number 2, and, if so determined by the Agency, Project Number 3, including payment received by the Agency from the Participants under the Member Agreements.

2. Pursuant to Section 6547 of the Joint Powers Act, this Ordinance is subject to the provisions for referendum prescribed by Section 3731.7 of the Elections Code of the State of California.

3. The City Clerk shall certify to the department of this City...

entry separate and apart from the Members. The Agency, in accordance with the Joint Powers Act and the Agreement, has entered or will enter into agreements to acquire and construct (or cause to be acquired and constructed) a project for the generation and transmission of electric energy consisting of certain geothermal generating units (known as Geothermal Project Number 2) and related facilities, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto ("Project Number 2"). The Agency has heretofore issued its \$40,000,000 Public Power Revenue Bonds, 1981 Series A, and its \$15,000,000 Public Power Revenue Bonds, 1982 Series A, and has assigned to the Bank of Montreal (California) (the "Bank") its rights to receive certain payments under the member agreement relating to Project Number 2, to secure the obligation of the Northern California Municipal Power Corporation No. Two (the "Corporation") to the Bank under a Loan Agreement wherein the Corporation has borrowed the amount of \$45,000,000 from the Bank, such loan guaranteed by the United States Department of Energy, all to finance a portion of the costs of construction and acquisition of Project Number 2 (together, the "Outstanding Indebtedness"). The Agency is considering the construction of an additional project for the generation and transmission of electric energy consisting of two 55 megawatt geothermal generating units and related facilities, including transmission, proposed to be constructed in Sonoma and Lake Counties, State of California, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto ("Project Number 3"). The Agency has entered or will enter into one or more agreements (the "Member Agreements") with certain entities (including two or more of the Members), pursuant to which the entities entering into such Member Agreements with the Agency (the "Participants") will, in the aggregate, purchase options and/or rights to purchase and/or receive 100% of the capacity and energy of the Project.

Neither the payment of principal of the Public Power Revenue Refunding Bonds nor any part thereof nor interest thereon will constitute a debt, liability or obligation of the City of Lodi; nor does the Ordinance commit the City of Lodi to take or pay for any capacity or energy of the Project.

The agency proposes to issue, in accordance with the agreement and the joint powers act, its Public Power Revenue Refunding Bonds to provide funds for the acquisition, construction and financing of the project. The Public Power Revenue Refunding Bonds are to be payable from funds held in trust for the benefit of the holders of such bonds and from revenues of agency from the Project Number 2 and, if so determined by the agency, Project Number 3, including payments to be made by the participants under the member agreements.

The ordinance authorizing the issuance of the Public Power Revenue Refunding Bonds is subject to referendum. Upon presentation (within the time period specified by law) of a petition (bearing signatures, in at least the number required by law) protesting against the adoption of the ordinance, the city council is required to reconsider the ordinance. Thereupon, if the City Council does not entirely repeal the ordinance, the ordinance shall be submitted (under ballot wording prescribed by law) to the voters at a regular or special election and the ordinance shall not come effective until a majority of the voters voting on the ordinance vote in favor of it. The foregoing description of the procedures for referendum is based upon the applicable referendum provisions of the California elections code and the California government code. Reference is made to the California elections code and the California government code for a complete statement of such provisions.

Nov. 8, 9, 10, 12, 13, 1982

Agency, from time to time, in one or more installments, of its Public Power Revenue Refunding Bonds outstanding at any one time in accordance with their terms in a maximum aggregate principal amount of \$175,000,000 is hereby authorized. Notwithstanding such maximum aggregate principal amount, the Agency is hereby authorized to issue additional principal amounts of its Public Power Revenue Refunding Bonds if and to the extent required to complete the refinancing of the Project. The proceeds from the sale of the Public Power Revenue Refunding Bonds hereby authorized are to be used for refinancing of all or a portion of the Outstanding Indebtedness, including interest on such Bonds, and deposits to reserves, all expenses incident to the calling, retiring, or payment of any or all of the Outstanding Indebtedness, including the costs of issuing such Bonds and any premium necessary in the calling or retiring of the Outstanding Indebtedness. The Public Power Revenue Refunding Bonds hereby authorized, and premium and interest thereon, are to be payable from, and secured by, funds held in trust for the benefit of the holders of Public Power Revenue Refunding Bonds and from revenues of the Agency from Project Number 2, and, if so determined by the Agency, Project Number 3, including payment received by the Agency from the Participants under the Member Agreements.

2. Pursuant to Section 6547 of the Joint Powers Act, this Ordinance is subject to the provisions for referendum prescribed by Section 3731.7 of the Elections Code of the State of California.

3. The City Clerk shall certify to the enactment of this Ordinance and shall cause notice of the same to be published in accordance with Section 6048.3 of the Government Code of the State of California.

4. Sixty (60) days from and after its enactment, this Ordinance shall take effect and be in full force, in the manner provided by law.

THE FOREGOING ORDINANCE is approved, enacted and adopted by the City Council of the City of Lodi, this 27th day of October, 1982.

Fred M. Reid
Mayor

ATTEST:
Alice M. Reinche
City Clerk
State of California
County of San Joaquin, ss.

I, Alice M. Reinche, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1273 was introduced at a regular meeting of the City Council of the City of Lodi held October 6, 1982 and was thereafter passed, adopted and ordered to print at an adjourned regular meeting of said Council held October 27, 1982 by the following vote:

Ayes: Council Members — Murphy, Olson, Sisker, Pinkerton, and Reid (Mayor)

Nays: Council Members — None

Absent: Council Members — None

Abstain: Council Members — None

I further certify that Ordinance No. 1273 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

ALICE M. REINCHE
City Clerk
Approved as to form
Ronald M. Stein
City Attorney

NOTICE OF ORDINANCE
SUBJECT TO REFERENDUM
CITY OF LODI
ORDINANCE NO. 1273
ADOPTED BY THE CITY COUNCIL OF
THE CITY OF LODI ON OCTOBER
27, 1982

Notice is hereby given that at an adjourned regular meeting of the City Council of the City of Lodi (the "City Council"), held on October 27, 1982, Ordinance No. 1273 (the "Ordinance") was adopted. The title and a summary of the Ordinance are set forth below. The Ordinance is subject to referendum, as discussed below.

THE
ORDINANCE OF THE CITY COUNCIL
OF THE CITY OF LODI AUTHORIZING
THE ISSUANCE OF PUBLIC POWER
REVENUE REFUNDING BONDS BY
NORTHERN CALIFORNIA POWER
AGENCY

in accordance with the agreement and the joint powers act, its Public Power Revenue Refunding Bonds to provide funds for the acquisition, construction and financing of the project. The Public Power Revenue Refunding Bonds are to be payable from funds held in trust for the benefit of the holders of such bonds and from revenues of agency from the Project Number 2 and, if so determined by the agency, Project Number 3, including payments to be made by the participants under the member agreements.

The ordinance authorizing the issuance of the Public Power Revenue Refunding Bonds is subject to referendum. Upon presentation (within the time period specified by law) of a petition (bearing signatures, in at least the number required by the law) protesting against the adoption of the ordinance, the city council is required to reconsider the ordinance. Thereupon, if the City Council does not entirely repeal the ordinance, the ordinance shall be submitted (under ballot wording prescribed by law) to the voters at a regular or special election and the ordinance shall not come effective until a majority of the voters voting on the ordinance vote in favor of it. The foregoing description of the procedure for referendum is based upon the applicable referendum provisions of the California elections code and the California government code. Reference is made to the California elections code and the California government code for a complete statement of such provisions.

Nov. 8, 9, 10, 12, 13, 1982

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ORDINANCE NO. 1273
ORDINANCE OF THE CITY COUNCIL
OF THE CITY OF LODI AUTHORIZING
THE ISSUANCE OF PUBLIC POWER
REVENUE REFUNDING BONDS BY
NORTHERN CALIFORNIA POWER
AGENCY (GEO THERMAL
GENERATING PROJECT NUMBER 3)

WHEREAS, pursuant to the provisions of Chapter 3, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"), the City of Lodi and certain other public agencies created pursuant to the laws of the State of California (collectively, the "Members"), have entered into a Joint Powers Agreement, as amended (the "Agreement"), creating the Northern California Power Agency (the "Agency"), a public entity separate and apart from the Members; and

WHEREAS, in accordance with the Agreement and the Joint Powers Act, the Agency has entered or will enter into agreements to acquire and construct (or to cause to be acquired and

PROOF OF PUBLICATION

(2015.5 C.C.P.)

STATE OF CALIFORNIA,

County of San Joaquin.

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am the principal clerk of the printer of the Lodi News-Sentinel, a newspaper of general circulation, printed and published daily, except Sundays and holidays, in the City of Lodi, California, County of San Joaquin, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court, Department 3, of the County of San Joaquin, State of California, under the date of May 26th, 1953, Case Number 65990; that the notice, of which the annexed is a printed copy (set in type not smaller than nonpareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

Nov. 8,

all in the year 1982.

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at Lodi, California, this 8th day of

Nov., 1982

[Signature] Signature

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Proof of Publication of

ORDINANCE NO. 1276

ORDINANCE NO. 1276 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LODI, APPROVING THE TERMS AND CONDITIONS OF AMENDMENT NO. TWO TO THE MEMBER AGREEMENT (SECOND PHASE) FOR FINANCING AND DEVELOPMENT ACTIVITIES OF THE SHELL EAST BLOCK GEOTHERMAL PROJECT BETWEEN NORTHERN CALIFORNIA POWER AGENCY AND CERTAIN PARTICIPATING MEMBERS, AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF SAID AMENDMENT BY OFFICERS OF THE CITY OF LODI.

WHEREAS, pursuant to the provisions of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"), the City of Lodi and certain other public agencies created pursuant to the laws of the State of California (collectively, the "Members"), have entered into a Joint Powers Agreement (the "Agreement"), as amended, creating the Northern California Public Agency (the "Agency"), a public entity separate and apart from the Members; and

WHEREAS, in accordance with the Agreement and the Joint Powers Act, the Agency and certain participating members of the Agency (the "Project Members") have entered into the Member Agreement (Second Phase) for Financing of Planning and Development Activities of the Shell East Block Geothermal Project, dated as of June 1, 1981, as amended by Amendment No. One thereto, dated June 1, 1981 (herein called the "Principal Agreement"); and

WHEREAS, pursuant to Section 6 of the Principal Agreement, each Project Member agreed to a total financing commitment for its respective percentage participation of a total sum, including payments and advances theretofore made, of up to \$5,300,000 in costs as authorized and approved by the Project Members; and

WHEREAS, pursuant to Section 6 of the Principal Agreement, the Project Members may, from time to time as needs arise, authorize an increased financial commitment above \$5,300,000 which can be shown to support the completion of the Project; and

WHEREAS, it has been determined by the Agency and the Project Members that it is necessary to increase the financial commitment of each Project Member for its respective percentage participation of the total sum in order to complete the Project to the principal amount of \$30,000,000 plus amounts necessary to pay interest expense on such principal amount; and

WHEREAS, the Agency and the Project Members have determined to amend the Principal Agreement so as to clarify the definition of the term "Project therein; and

WHEREAS, the Agency and the Project Members have determined to

amend the Principal Agreement so as to clarify which "costs" are authorized by the Project Members; and

WHEREAS, the Agency and the Project Members have determined to amend the provisions of the Principal Agreement regarding the terms of the Principal Agreement; and

WHEREAS, the City Council finds and determines that it is in the best interests of the customers of the electric system of the City of Lodi for the City of Lodi that the Principal Agreement be so amended;

NOW, THEREFORE, the City Council of the City of Lodi does ordain as follows:

1. The City Council hereby finds and determines that Amendment No. Two to the Principal Agreement be, and the same is hereby approved.

2. The Mayor and City Clerk are authorized to execute and deliver said Amendment by and on behalf of the City of Lodi.

3. Pursuant to Section 54261 of the Government Code of the State of California, this Ordinance is subject to the provisions for referendum applicable to the City of Lodi.

4. The City Clerk shall certify to the enactment of this Ordinance and shall cause this Ordinance to be published in accordance with Section 54267 of the Government Code of the State of California.

5. Thirty (30) days from and after its enactment, this Ordinance shall take effect and be in full force, in the manner provided by law.

ADOPTED by the City Council and signed by the Mayor and attested by the City Clerk this 27th day of October, 1982.

Fred M. Reid Mayor of the City of Lodi

Alice M. Reimche City Clerk of the City of Lodi State of California County of San Joaquin, ss.

I, Alice M. Reimche, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1276 was introduced at a regular meeting of the City Council of the City of Lodi held October 6, 1982 and was thereafter passed, adopted and ordered to print at an adjourned regular meeting of said Council held October 27, 1982 by the following vote:

Ayes: Council Members - Murphy, Olson, Pinkerton, Snider, and Reid (Mayor)

Noes: Council Members - None.

Abstain: Council Members - None.

I further certify that Ordinance No. 1276 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

ALICE M. REIMCHE City Clerk Approved as to form Ben M. Stein City Attorney Nov. 8, 1982

AMENDMENT NO. TWO
TO
MEMBER AGREEMENT (SECOND PHASE) FOR
FINANCING OF PLANNING AND DEVELOPMENT ACTIVITIES
OF THE
SHELL EAST BLOCK GEOTHERMAL PROJECT

This Amendment No. Two, made as of _____, 1982, by and between the Northern California Power Agency ("NCPA"), a joint powers agency of the State of California, and its members who execute this Agreement (the "Project Members"),

WITNESSETH:

WHEREAS, the parties hereto have executed the "Member Agreement (Second Phase) for Financing of Planning and Development Activities of the Shell East Block Geothermal Project", dated as of June 1, 1981, as amended by Amendment No. One thereto, dated June 1, 1981 (herein called the "Principal Agreement"); and

WHEREAS, pursuant to Section 6 of the Principal Agreement, each Project Member agreed to a total financing commitment for its respective percentage participation of a total sum, including payments and advances theretofore made, of up to \$5,500,000 in costs as authorized and approved by the Project Members; and

WHEREAS, pursuant to Section 6 of the Principal Agreement, the Project Members may, from time to time as needs arise, authorize an increased financial commitment above \$5,500,000 which can be shown to support the completion of the Project; and

WHEREAS, it has been determined by NCPA and the Project Members that it is necessary to increase the financial commitment of each Project Member for its respective percentage participation of the total sum in order to complete the Project to the principal amount of \$30,000,000 plus amounts necessary to pay original issue discount and interest expense on such principal amount as determined by the Commission; and

WHEREAS, NCPA and the Project Members have determined to amend the Principal Agreement so as to clarify the definition of the term "Project" therein; and

WHEREAS, NCPA and the Project Members have determined to amend the Principal Agreement so as to clarify which "costs" are authorized by the Project Members; and

WHEREAS, NCPA and the Project Members have determined to amend the provisions of the Principal Agreement regarding the term of the Principal Agreement; and

AMENDMENT NO. TWO
TO
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OF THE
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This Amendment No. Two, made as of _____, 1982, by and between the Northern California Power Agency ("NCPA"), a joint powers agency of the State of California, and its members who execute this Agreement (the "Project Members"),

WITNESSETH:

WHEREAS, the parties hereto have executed the "Member Agreement (Second Phase) for Financing of Planning and Development Activities of the Shell East Block Geothermal Project", dated as of June 1, 1981, as amended by Amendment No. One thereto, dated June 1, 1981 (herein called the "Principal Agreement"); and

WHEREAS, pursuant to Section 6 of the Principal Agreement, each Project Member agreed to a total financing commitment for its respective percentage participation of a total sum, including payments and advances theretofore made, of up to \$5,500,000 in costs as authorized and approved by the Project Members; and

WHEREAS, pursuant to Section 6 of the Principal Agreement, the Project Members may, from time to time as needs arise, authorize an increased financial commitment above \$5,500,000 which can be shown to support the completion of the Project; and

WHEREAS, it has been determined by NCPA and the Project Members that it is necessary to increase the financial commitment of each Project Member for its respective percentage participation of the total sum in order to complete the Project to the principal amount of \$30,000,000 plus amounts necessary to pay original issue discount and interest expense on such principal amount as determined by the Commission; and

WHEREAS, NCPA and the Project Members have determined to amend the Principal Agreement so as to clarify the definition of the term "Project" therein; and

WHEREAS, NCPA and the Project Members have determined to amend the Principal Agreement so as to clarify which "costs" are authorized by the Project Members; and

WHEREAS, NCPA and the Project Members have determined to amend the provisions of the Principal Agreement regarding the term of the Principal Agreement; and

WHEREAS, this Agreement shall not take effect until execution and delivery by each of the Project Members;

NOW THEREFORE, the parties hereto agree as follows:

SECTION 1. Pursuant to the provisions of Section 6 of the Principal Agreement, the financial commitment of each Project Member for its respective percentage participation of the total sum shall be increased to the principal amount of \$30,000,000, plus amounts necessary to pay interest expense on such principal amount.

SECTION 2. The defined term "Project" shall include, in addition to the meaning ascribed thereto in the Principal Agreement, two 55 megawatt geothermal generating units and related facilities, including transmission, proposed to be constructed in Sonoma and Lake Counties, California, and capital improvements thereto that may be constructed from time to time, and interests in certain other property and rights relating thereto.

SECTION 3. Costs authorized by the Project Members shall include, but shall not be limited to, all costs of studies, the acquisition of options, permits and other preliminary costs to be incurred prior to the undertaking of the construction or acquisition of the Project, and for the purpose of providing temporary financing of costs of construction or acquisition of the Project, including engineering, inspection, legal and fiscal agents' fees and costs of issuance and sale of any notes or other evidences of indebtedness.

SECTION 4. Section 5 of the Principal Agreement is hereby amended to read in full as follows:

"Section 5. Term. This Agreement shall take effect on June 1, 1981, or whenever executed by NCPA members holding 85% of the initial percentage participation, whichever is later, and it shall not take effect at all if not in effect by August 1, 1981. This Agreement shall not be binding upon Plumas-Sierra Rural Electric Cooperative until approved in writing by the Administrator of Rural Electrification Administration. This Agreement shall be superseded upon the first issuance of Project bonds by the Final Power Contract in which Project Members shall enter any time prior to the issuance of the Project bonds, pursuant to Section 2, except that Section 4 shall remain in effect. Changes in this provision, except as to Section 4, shall be in accordance with Section 3 hereof."

SECTION 5. This Agreement shall take effect upon its execution and delivery by each of the Project Members.

IN WITNESS WHEREOF, each Project Member has executed this Agreement with the approval of its governing body, and caused its official seal to be affixed, and NCPA has authorized this Agreement in accordance with the authorization of its Commission.

NORTHERN CALIFORNIA POWER
AGENCY

By: _____

By: _____

CITY OF ALAMEDA

By: _____

By: _____

CITY OF BIGGS

By: _____

By: _____

CITY OF GRIDLEY

By: _____

By: _____

CITY OF REDDING

By: _____

By: _____

CITY OF HEALDSBURG

By: _____

By: _____

CITY OF LODI

By: Fred M Reid
Fred M. Reid, Mayor

By: Alice M. Reimche
Alice M. Reimche, City Clerk

CITY OF LOMPOC

By: _____

By: _____

CITY OF PALO ALTO

By: _____

By: _____

CITY OF UKIAH

By: _____

By: _____

CITY OF ROSEVILLE

PLUMAS-SIERRA RURAL ELECTRIC
COOPERATIVE

By: _____

By: _____

By: _____

By: _____

CITY OF SANTA CLARA

By: _____

By: _____