

**AGREEMENT
BETWEEN THE COUNTY OF INYO, CALIFORNIA
AND HIDDEN HILLS SOLAR
REGARDING
THE HIDDEN HILLS SOLAR ELECTRIC GENERATING SYSTEM**

This Agreement (the "Agreement") is entered into this ____ day of March, 2013 by and between the County of Inyo, California, a political subdivision of the State of California (the "County"), and Hidden Hills Solar I, LLC and Hidden Hills Solar II, LLC (collectively, "Hidden Hills Solar"). Hereinafter, the County and Hidden Hills Solar may be referred to individually as a "Party" or collectively as "the Parties."

RECITALS

WHEREAS, Hidden Hills Solar proposes to develop a 500 megawatt ("MW") solar thermal project consisting of two 250 MW units and related improvements located in Inyo County, California, to be known as the Hidden Hills Solar Electric Generating System ("HHSEGS" or "the Project"). The Project is proposed to be located on approximately 3,274 acres of subdivided private property located in Township 22 North, Range 10 East, Sections (or portions thereof) 15, 16, 20, 21, 22, 23, 26, 27, and 28; assessor parcel numbers 048-110-002, 048-120-010 and all parcels in Book 048 pages 50, 60, 61, and 64 through 71 (the "Project Site"). Hidden Hills Solar holds options to lease or purchase the Project Site from the Roland John Wiley Trust, the Mary Wiley Trust, Section 20, LLC and Peggy Tsiamis.

WHEREAS, the Project Site is comprised of approximately 170 parcels (the "Site Parcels") separated by dirt roads laid out in a grid pattern (the "Site Roads"). The Site Roads are aligned consistent with conditional offers of dedication to the County of public roadway easements that are recorded against some or all of the Site Parcels (each, an "Easement Dedication"). With the exception of one Easement Dedication located adjacent to the Project Site's southern boundary, County has never formally accepted any other Easement Dedication. In County's view, however, the Site Roads are public roadways pursuant to common law acceptance of the dedications by the public. In Hidden Hills Solar's view, however, no such common law acceptance has been perfected and the Site Roads remain private property.

WHEREAS, under the Warren-Alquist State Energy Resources Conservation and Development Act ("Warren-Alquist Act"), beginning at Section 25500 of the Public Resources Code, construction and operation of the Project is subject to approval by the California Energy Commission ("CEC"), which has exclusive jurisdiction over the Project and must certify the Project, Project Site and related facilities before the Project can be constructed. Hidden Hills Solar has submitted an application for certification (the "AFC") of the Project to the CEC.

WHEREAS, Hidden Hills Solar acknowledges the County's desire for well-planned and orderly land use development within the County. Accordingly, despite the CEC's exclusive permitting authority over the Project and without waiving any of its rights under the CEC permitting process, Hidden Hills Solar, with approval and consent by the appropriate landowners, submitted to the County an application for a general plan amendment overlay and zoning overlay relating to the Project Site and which would bring the Project into

conformance with the County General Plan and zoning code (collectively, the "Land Use Application"). Hidden Hills Solar and the County also executed an Environmental Review Agreement required by the County in connection with the processing of such Land Use Application dated July 10, 2012. On February 25, 2013, the County deemed the Land Use Application complete by issuing that certain "Notice of Complete Application - General Plan Amendment No. 2012-04/Zoning Reclassification No. 2012-04 (BrightSource Energy)."

WHEREAS, by this Agreement, the Parties agree upon certain measures and proposed conditions intended to satisfy the County's concerns related to potential socioeconomic, water supply and other impacts related to the Project, including measures to avoid impacts to a County road and provisions for site reclamation.

WHEREAS, this Agreement is binding on each Party, its successors and assigns and each Party acknowledges the receipt of adequate consideration for their entry into this Agreement.

THEREFORE, be it resolved that the Parties do agree as follows.

ARTICLE 1

PAYMENTS AND CREDITS

1.1 Payments to County. County agrees, and shall represent to the CEC, that, if the tax payment terms described in this Article 1 are implemented and if Project otherwise complies with the terms and conditions of Project certification as specified herein, if and when approved by the CEC, then all of the County's outstanding concerns regarding the Project's potential impacts on the County will be fully satisfied.

1.2 Payment and Credits; Time of Payment. Hidden Hills Solar shall pay to the County a total of Fifteen Million Dollars (\$15,000,000.00), subject to the credits set forth in this Agreement. Such payment shall be payable in installments as follows: (i) no later than the date upon Commencement of Construction, the sum of Two Million Five Hundred Thousand Dollars (\$2,500,000.00) (the "First Installment Payment") and (ii) no later than the first day of the eighteenth (18th) full month following the Commencement of Operation of the Project (the "Payment Date"), the sum of Twelve Million Five Hundred Thousand Dollars (\$12,500,000.00) (the "Second Installment Payment"), subject to the credits set forth in this Agreement. Notwithstanding any provision of this Agreement to the contrary, in no event shall Hidden Hills Solar be liable to the County for any portion of the payment obligations set forth in this Section 1.2 prior to the Commencement of Construction. For the purposes of this Agreement, the "Commencement of Operation of the Project" shall be deemed to occur upon the date of first delivery of electricity from the Project for sale pursuant to the Project's power purchase agreements; and "Commencement of Construction" shall be deemed to occur upon the earlier of the following: (1) receipt by Hidden Hills Solar of project financing sufficient to commence the concrete pour described in (2), below; or (2) the date the Project first pours concrete in the construction of the foundation of the Project's first solar power tower.

1.3 Credits. The Second Installment Payment due County shall, prior to payment, be

reduced by the following credits:

1.3.1 Bradley-Burns Tax Receipts. The Second Installment Payment shall be reduced by the total amount of tax revenues accrued to the County pursuant to Revenue and Taxation Code sections 7200 through 7212 (hereinafter referred to as "Bradley-Burns") for the period extending between the CEC's final approval of the Project and one year following Commencement of Operations and which would not otherwise accrue to the County but for activities taxable under Bradley-Burns and related to construction of the Project (the "Bradley Burns Credit"). In no event shall the Second Installment Payment reduction contemplated by this Section 1.3.1 include any Bradley-Burns tax revenues that accrue to the Inyo County Local Transportation Commission.

1.3.2 Property Tax. The Second Installment Payment shall be reduced by the property tax accrued to the County General Fund as a result of the tax assessment of the Project Site for the tax years, including any portion thereof, prior to the Payment Date (the "Property Tax Credit").

1.3.3 Credit Calculation. The County will hire an accounting firm that is mutually acceptable to the Parties (the "Accountant") to track the Bradley-Burns and property tax revenues accrued to the County as a result of the Project and to calculate the Bradley-Burns Credit and Property Tax Credit. The County and Hidden Hills Solar shall each pay one-half of the cost of tracking and calculating the Bradley-Burns Credit and Property Tax Credit. Calculation of the Bradley-Burns Credit and Property Tax Credit shall be subject to audit by either Party, provided that the cost of such audit is borne solely by the Party requesting the audit. If the Parties agree with Tax Revenue Credit and Property Tax Credit calculated by the Accountant, such credit amounts shall be used to calculate the total Second Installment Payment due County upon the Payment Date. Disputes between the Parties with respect to the amount of either the Tax Revenue Credit or the Property Tax Credit, as calculated by the Accountant, shall be subject to the dispute resolution provisions of Sections 1.5, 5.19 and 5.20 of this Agreement.

1.4 Fees. Except as otherwise provided in this Article 1, the only County development fees, costs and monetary exactions applicable to the Project shall be those routinely charged to all other land developers on a county-wide basis and which are authorized by existing County ordinances, resolutions, policies and regulations ("County-wide Fees"), which may be increased from time to time by the Inyo County Board of Supervisors in accordance with applicable law. The Parties agree that the Second Installment Payment shall not be reduced by the amount of County-wide Fees paid by the Project. Hidden Hills Solar reserves and does not waive its right to protest, challenge or otherwise oppose any new or increased County assessment, fee, special or general tax or other exaction that may be imposed on the Project or the Project Site, whether or not such assessment, fee, tax or exaction is routinely charged to other developers or are authorized by existing County ordinances, resolutions, policies or regulations.

1.5 Calculation of Second Installment Payment. Hidden Hills Solar shall notify the County within ten (10) days of the date of Commencement of Operation of the Project. After Commencement of Operation of the Project, and not later than 60 days prior to the Payment Date, the County will provide Hidden Hills Solar with a written statement of the amount of the Second Installment Payment as adjusted by the total Bradley-Burns Credit and the total Property Tax Credit (the "Payment Statement"). Hidden Hills Solar shall have 30 days from Payment

Statement receipt to notify the County in writing that it disputes the Second Installment Payment amount, the total Bradley-Burns Credit amount, or the total Property Tax Credit amount set forth in the Payment Statement (the "Payment Dispute Notice"). The Payment Dispute Notice shall specify the reasons for such dispute. If Hidden Hills Solar does not timely provide a Payment Dispute Notice to County, or if Hidden Hills Solar timely disputes only a portion of the Second Installment Payment amount, Hidden Hills Solar shall make the Second Installment Payment, or the undisputed portion thereof, to County on or before the Payment Date. If Hidden Hills Solar timely issues a Payment Dispute Notice to County, within 10 days following County's receipt of such notice, County and Hidden Hills Solar shall meet and confer in a good faith attempt to resolve all objections, which meeting may be recessed from time to time but shall extend no longer than 5 days (the "Meet and Confer Period"). If the Parties are unable to resolve the disputed Payment amount during the Meet and Confer Period, either Party may initiate formal dispute resolution proceedings, as described in Sections 5.19 and 5.20 below.

ARTICLE 2

OTHER OBLIGATIONS OF THE PARTIES

2.1 CEC Approval. The Parties agree that, if deemed necessary by Hidden Hills Solar in its sole discretion, Hidden Hills Solar will request the CEC to approve the Project using the powers granted to the CEC pursuant to Section 25525 of the California Public Resources Code (a "Section 25525 Approval Request"). The Parties desire to narrow the scope of any Section 25525 Approval Request that Hidden Hills Solar may deem necessary for the Project and, therefore, agree to the following:

2.1.1 Land Use Application and Vacation of Site Roads. Unless otherwise agreed to in writing by Hidden Hills Solar, no later than the second regular County Board of Supervisors' meeting following issuance of the CEC's Presiding Member's Proposed Decision (the "PMPD"), the County Board of Supervisors shall consider and vote either to approve or deny the Land Use Application, to vacate the Site Roads pursuant to Streets and Highways Code §§ 8300, *et seq.* and to approve or deny any other discretionary approvals the Parties deem necessary for Project conformance with all applicable County codes, ordinances, resolutions, policies, plans and regulations (each, a "Discretionary Approval"). In considering the effects of these actions, acting as a responsible agency pursuant to 14 California Code of Regulations, section 15253, County shall use the PMPD as the County's environmental review document.

2.1.2 Withdrawal and Rescission. The County and Hidden Hills Solar agree that Hidden Hills Solar may at any time, and for any reason, in its sole and absolute discretion, withdraw the Land Use Application or any other application for any other Discretionary Approval prior to final action on any such application by the County. In the event any third party legally challenges any Discretionary Approval approved by the County, the County shall rescind such Discretionary Approval upon request from Hidden Hills Solar. Notwithstanding any provision in this Agreement to the contrary, if the County denies a request to vacate the Site Roads, (i) Hidden Hills Solar shall no longer be obligated to pay the County the First Installment Payment, (ii) the County shall irrevocably waive any and all claims to the First Installment Payment, and (iii) the Second Installment Payment shall be reduced to ten million dollars (\$10,000,000.00) and remain subject to all payment credits set forth in Article 1, above.

Execution Version

Irrespective of whether the County approves or denies a request to vacate the Site Roads (or, if approved, such vacation is later rescinded or set aside), by entering into this Agreement, the County agrees to irrevocably waive any and all claims that the Site Roads are public roads or public rights-of-way and that in no event will County assert, or support any third-party assertion, that the Site Roads are public roads or public rights-of-way. County agrees to refrain from taking any action or make any claim against the Project, the Project Site, Hidden Hills Solar or the Project Site landowners that asserts or otherwise attempts to establish that the Site Roads are public roads or public rights-of-way.

2.1.3 Lot Line Adjustment/Parcel Merger. Hidden Hills Solar agrees that, within forty five (45) days following execution of this Agreement, Hidden Hills Solar shall submit to the County an application for a parcel merger pursuant to Inyo County Code section 16.52 to merge the Site Parcels, excluding the Project laydown area described in the AFC, into ten or fewer parcels. County agrees that, if it approves the parcel merger included in such application, it shall only do so under the following conditions: (i) County's approval of the parcel merger shall occur no later than one business day after the County Board of Supervisors vacates the Site Roads, (ii) the parcel merger shall not become effective and shall not be recorded against the affected real property until Commencement of Construction; (iii) in no event shall the Site Parcels merge prior to Commencement of Construction; and (iv) if, prior to Commencement of Construction, Hidden Hills Solar provides written and binding notice to County that the Project will not be constructed, then the parcel merger shall become null and void for all purposes. The Parties agree that the lot line adjustment and/or parcel merger contemplated by this Section 2.1.3 shall be deemed a "Discretionary Approval" for purposes of this Agreement.

2.1.4 CEQA Compliance. For the purpose of complying with Public Resources Code § 21000 *et seq.* with respect to any and all discretionary actions or approvals contemplated by Article 2 of this Agreement and undertaken by County, County agrees to timely comply with all CEQA findings requirements, and to file any and all related CEQA notices (*e.g.*, notice of exemption; notice of determination) as may be required by CEQA or requested by Hidden Hills Solar provided that the filing of such requested notices is consistent with CEQA.

2.1.5 Public Road Dispute. County acknowledges that it is Hidden Hills Solar's opinion that the Site Roads are not public roads and, therefore, there is no need, in Hidden Hills Solar's view, for Hidden Hills Solar to apply for, or for County to approve, the vacation of any public rights of way purportedly associated with the Site Roads. Accordingly, County agrees that, if Hidden Hills Solar applies to the County for the vacation of any or all public rights of way that County claims currently burden one or more of the Site Roads, such application may expressly describe Hidden Hills Solar's opinion that the Site Roads are private property and that, in Hidden Hills Solar's view, there is no need for County to vacate the Site Roads. The Parties agree that nothing in this Agreement shall be construed as an admission by Hidden Hills Solar that the Site Roads are public roads or public rights of way, nor shall any provision of this Agreement be construed as a waiver of Hidden Hills Solar's or the Project Site landowner's rights to claim, assert or otherwise argue without prejudice in any venue or forum that the Site Roads are currently and always have been private property.

2.2 Non-Discretionary Permits or Approvals. The County shall approve non-discretionary (ministerial) permits or approvals required for the Project under applicable law in accordance with the applicable law without unreasonable delay.

2.3 CEC Approval. The County acknowledges that the County's actions identified in this Article 2 may not be final and non-appealable administratively or judicially at the time that the CEC certifies and approves the Project (the "CEC Final Decision"); therefore, County agrees to not oppose any Section 25525 Approval Request by Hidden Hills Solar, including those that pertain to the County approvals identified in this Article 2. The County acknowledges that the CEC's Final Decision may include related findings made pursuant to or required by CEQA and the CEC's certified regulatory program established in accordance with CEQA (collectively, the "CEC CEQA Findings"), as well as findings or approvals made pursuant to Public Resources Code Section 25525 (collectively, the "Section 25525 Approvals"). The County acknowledges the Section 25525 Approvals may address matters that include, but are not limited to, the Project's conformance or non-conformance with County codes, ordinances, resolutions, plans and policies and any other applicable law. County agrees that, even if Hidden Hills Solar withdraws its Land Use Application or any applications for other Discretionary Approvals, as provided above, or if approval of the Land Use Application, the vacation of the Site Roads or any other Discretionary Approval is rescinded or otherwise set aside, County will not oppose or challenge any of the Project-related Section 25525 Approval Requests, CEC CEQA Findings, Section 25525 Approvals or the CEC Final Decision.

ARTICLE 3

CONDITIONS OF CERTIFICATION

3.1 The Parties agree to jointly recommend that the CEC approve the Project subject to the Conditions of Certification (each, a "COC") described in this Article 3 and to advocate for revisions to related COCs set forth in the Final Staff Assessment ("FSA") necessary to ensure that COCs included in the CEC Final Decision are consistent with the COCs described in this Article 3.

3.2 Old Spanish Trail Highway Heavy Truck Restrictions: The road adjacent to the southern boundary of the Project Site and extending west and terminating at California State Highway 127 is commonly known as the "Old Spanish Trail Highway." In order to prevent Project-related heavy truck traffic on that portion of the Old Spanish Trail Highway extending between the western boundary of the Project Site and California State Highway 127 (the "Regulated Roadway"), the Parties agree to jointly recommend to the CEC and advocate for inclusion in the PMPD and CEC Final Decision one or more COCs that are consistent with Sections 3.2.1 through 3.2.2 of this Agreement.

3.2.1 Heavy Truck Traffic Penalty. The Parties agree, and shall jointly recommend to the CEC for inclusion as COC in the PMPD and CEC Final Decision, that Hidden Hills Solar shall pay a per-incident penalty of \$10,000 to the County of Inyo for each Heavy Truck which uses the Regulated Roadway to transport materials to or from the Project Site; provided, however, that no such penalty shall be assessed during any period when alternative road access to the Project Site (*i.e.*, road access other than the Regulated Roadway) is closed or otherwise physically impassable through no direct fault of Hidden Hills Solar, the Project or the Project Site. No penalty imposed pursuant to this Section 3.2.1 shall exceed \$10,000 per incident, irrespective of whether the Heavy Truck being penalized travels one-way or round-trip on the Regulated Road to and/or from the Project Site. For purposes of this Agreement, "Heavy Truck"

means a Class 8 vehicle (i.e., a vehicle with a gross weight 33,000 pounds) or larger.

3.2.2 Penalty Payment Procedures. Within seven (7) days following an occurrence of a Heavy Truck using the Regulated Roadway to transport materials or equipment to or from the Project Site, the County shall provide to Hidden Hills Solar a written invoice documenting the penalty applicable such Heavy Truck trip, which invoice shall also describe the date and approximate time of such occurrence, as well as a general description of the relevant Heavy Truck (each, a "Penalty Invoice"). Hidden Hills Solar shall pay the Penalty Invoice within thirty (30) days of receipt, unless, within fifteen (15) days of Penalty Invoice receipt, Hidden Hills Solar notifies the County that it objects to such invoice and its reasons for such objection (the "Invoice Dispute Notice"). Within ten (10) days of its receipt of an Invoice Dispute Notice, County and Hidden Hills Solar shall meet and confer in a good faith attempt to resolve the objections. If Hidden Hills Solar and the County are unable to resolve the objection, the Parties' dispute shall be submitted to the Compliance Project Manager ("CPM") for final determination. If the Parties' dispute is submitted to the CPM for final determination, Hidden Hills Solar shall pay to County, within ten (10) days following such final determination, any penalty amount the CPM determines is due County.

3.3 Maintenance of Regulated Roadway. The County and Hidden Hills Solar agree that, so long as the Project COCs approved by the CEC preclude Heavy Truck traffic on the Regulated Roadway in a manner consistent with Section 3.2.1 and 3.2.2, above, and so long as Hidden Hills Solar has made any payments required by Article 1 of this Agreement, then (i) all of the Project's potential impacts to the Regulated Roadway shall be fully mitigated, (ii) Hidden Hills Solar shall not be responsible for improving, repairing or maintaining any portion of the Regulated Roadway or be responsible for any costs related to the improvement, repair or maintenance of the Regulated Roadway, (iii) the Parties shall jointly recommend to the CEC for inclusion as a COC in the PMPD and CEC Final Decision, that Hidden Hills Solar's responsibilities under FSA TRANS-3 or any similar COC for the documenting, maintenance and repair of Old Spanish Trail shall not include the Regulated Roadway, (iv) the Parties shall jointly recommend to the CEC that the PMPD and CEC Final Decision expressly find that the Project's potential impact to the Regulated Roadway will be fully mitigated and that Hidden Hills Solar shall not be responsible for improving, repairing or maintaining any portion of the Regulated Roadway or be responsible for any costs related to the improvement, repair or maintenance of the Regulated Roadway. If, despite the Parties' agreement as set forth in this Section 3.3, the PMPD and CEC Final Decision include a COC pursuant to which Hidden Hills Solar is obligated to improve, repair or maintain the Regulated Roadway or to incur any costs related to the improvement, repair or maintenance of the Regulated Roadway, the Parties shall meet and confer to ensure that the intent of this section that Hidden Hills Solar and the Project not be liable, financially or otherwise, for the improvement, repair or maintenance of the Regulated Roadway is put into effect.

3.4 Old Spanish Trail Highway East of Project Site. The Parties agree, and shall jointly recommend to the CEC for inclusion as a COC in the PMPD and CEC Final Decision, that Hidden Hills Solar's and the Project's responsibility for improving, repairing or maintaining that portion of Old Spanish Trail Highway adjacent to the Project Site and extending east to the Nevada state line be limited to those measures that are reasonably necessary to safely accommodate Project related truck construction traffic to and from the Project site as well as existing general traffic on a roadway that meets the minimum CalTrans standards for a roadway

that will serve such purpose.

3.5. Hidden Hills Solar agrees to inform the CEC that it accepts COCs that are consistent with TRANS 1 through 7 contained in the FSA as modified during Project workshops conducted by the CEC on March 5 and 6, 2013, which workshops County participated in and agreed to such modifications, and as further modified by the Parties in this Article 3.

3.6 Water Supply. The County and Hidden Hills Solar agree to jointly propose and advocate for inclusion in the PMPD and CEC Final Decision of the Water Supply COCs that are consistent with those Water Supply COCs set forth in the FSA, as modified at the March 6, 2013 CEC staff workshop on the Project. Notwithstanding the preceding sentence, with respect to the portion of FSA COC WATER SUPPLY-1, titled "Water Use Offset Plan," the County agrees that Hidden Hills Solar may advocate for clarification of the term "offsets" as used in WATER SUPPLY -1 and that the County shall take no position with respect to, and shall not oppose, Hidden Hills Solar's request for such clarification of WATER SUPPLY -1.

3.7 Plant Closure/Reclamation. The County and Hidden Hills Solar agree to advocate for the inclusion in the PMPD and CEC Final Decision of a COC related to plant closure and Project Site reclamation that includes the components described in Subsections 3.7.1 through 3.7.3 below. The Parties further agree to expressly and actively oppose any proposed Project COC or portion thereof that would require or otherwise obligate Hidden Hills Solar or the Project to provide security or other financial assurance to decommission the Project or to reclaim or revegetate the Project Site following Project decommissioning:

3.7.1 The Parties agree to advocate for a Project COC that provides as follows: No later than thirty (30) days after notice to the Compliance Project Manager ("CPM") of Hidden Hills Solar's intent to terminate operations, Hidden Hills Solar shall develop a detailed plan for decommissioning and removing all equipment, structures, fencing, and reclaiming and revegetating the Project site ("Plant Closure and Reclamation Plan"). The Plant Closure and Reclamation Plan shall be developed in consultation with the County and shall be approved by the CPM. Hidden Hills Solar shall fully perform the work and activities described in the Plant Closure and Reclamation Plan.

3.7.2 The Parties agree to advocate for a Project condition of certification that provides as follows: Hidden Hills Solar shall commission and fund a study by Soil Tech or other similar entity to determine the feasibility and cost of restoring and revegetating the Project site following the closure and decommissioning of HHSEGS. Hidden Hills Solar shall provide the study to the County and the CEC prior to the completion of the Plant Closure and Reclamation Plan. To the extent that the study shows that it is feasible to revegetate the Project site, the Plant Closure and Reclamation Plan will require such revegetation unless an alternative project or land use is planned for the Project Site at the time of plant closure that the County agrees is feasible. The County understands and agrees that revegetation of the Project site will be accomplished in consultation with the owner(s) of the Project Site.

3.7.3 The Parties agree to advocate for a Project condition of certification that provides as follows: The Plant Closure and Reclamation Plan shall be provided to the authorized representatives of the Roland John Wiley Trust, the Mary Wiley Trust, Section 20 LLC, and any other landowner of the Project site.

3.8 Provisions of this Agreement Recommending Conditions of Certification. The County and Hidden Hills Solar agree and acknowledge that the jointly recommended COCs described in this Article 3 are material elements of this Agreement. As such, the County and Hidden Hills Solar shall expressly request of the CEC inclusion in the final approval of the Project COCs that are consistent with the COCs described in this Article 3. The Parties further agree that each shall expressly and actively oppose any proposed COC which would conflict with, or be inconsistent with, the COCs agreed upon in this Article 3, including any proposal to include one or more COC provisions that the Parties, in this Article 3, agree should be excluded from the CEC Final Decision (e.g., the exclusion of any obligation that Hidden Hills Solar fund repairs on the Regulated Roadway; the exclusion of any decommissioning or reclamation plan security obligations, etc.). The County agrees that, should COCs consistent with the COCs described in this Article 3 be included in the CEC Final Decision, and if Hidden Hills Solar has made any payment or payments required by Article 1 of this Agreement, the County's concerns regarding Project-related impacts will be fully satisfied and the County will not advocate for, or seek to impose, any condition not identified in this Article 3 unless such condition is jointly supported by the County and Hidden Hills Solar. The County further agrees, and shall represent to the CEC, that the payment provisions set forth in Article 1 of this agreement will fully satisfy the County's concerns regarding the Project's impacts to the County.

ARTICLE 4

TERM

4.1 Effective Date. This Agreement shall be deemed effective as of the date first set forth above upon execution by the Parties' duly authorized representatives below.

4.2 Term. Except as provided in Section 4.3, below, this Agreement shall terminate upon the date that the Plant Closure and Reclamation Plan contemplated by Section 3.7 of this Agreement has been fully implemented, as determined by the Project CPM.

4.3 Right of Suspension and Withdrawal. Notwithstanding any provision of this Agreement to the contrary, Hidden Hills Solar reserves the right in its sole and absolute discretion to suspend, withdraw or otherwise terminate the Project application for certification currently pending before the CEC (the "AFC") prior to the CEC final decision to approve or certify the AFC. The Parties agree that, if Hidden Hills Solar suspends the AFC or otherwise suspends the CEC proceedings related thereto before the CEC final decision to approve or certify the Project, then the terms and conditions of this Agreement shall also be suspended during any such suspension period; however, upon resumption of the CEC proceedings, if any, the provisions of this Agreement shall remain in full force and effect. The Parties further agree that if Hidden Hills Solar, in its sole and absolute discretion, withdraws the AFC or otherwise terminates the CEC proceedings related thereto before the CEC final decision to approve or certify the Project, this Agreement shall be of no force or effect.

ARTICLE 5

MISCELLANEOUS

5.1 Governing Law. This Agreement shall be governed by, construed under and enforced in accordance with the laws of the State of California.

5.2 Joint Effort. The Parties acknowledge that each Party and its counsel have reviewed this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation of this Agreement or any amendment or exhibits hereto.

5.3 Captions. The captions and headings in this Agreement are inserted only as a matter of convenience and for reference, and they in no way define, limit or describe the scope of this Agreement or the intent of any provision thereof.

5.4 Counterparts. This Agreement may be executed in one or more counterparts, each of which may be deemed an original, but all of which together shall constitute one and the same instrument.

5.5 Time is of the Essence. Time is of the essence with respect to the performance or observance of each of the obligations, covenants and agreements under this Agreement.

5.6 Authority. Hidden Hills Solar hereby represents and warrants to the County that the persons who have executed this Agreement have been authorized to do so by Hidden Hills Solar.

5.7 Other Agreements/Documents. Each Party hereby represents and warrants to diligently pursue negotiation and execution of any agreements and documents identified herein, and/or any other agreements or any other project to be undertaken pursuant to this Agreement.

5.8 Notices. All notices to be given hereunder shall be in writing and shall be served, either personally or by mail, postage prepaid, to the County or Hidden Hills Solar at the addresses set forth below, or to any other address provided by one (1) Party to the other Party in writing. Hidden Hills Solar reserves the right to change the identity of the Party to whom notices to Hidden Hills Solar hereunder should be sent by notifying the other Party in writing. The effective date of such written notice shall be the date of personal delivery or the date of receipt by certified mail

Notices to the County:

Clerk of the Inyo County Board of Supervisors
P.O. Drawer N
Independence, California 93526

Notices to Hidden Hills Solar:

Hidden Hills Solar I, LLC and Hidden Hills Solar II, LLC,

Execution Version

Care of: BrightSource Energy, Inc.
1999 Harrison Street, Suite 2150
Oakland, California 94612
Attention: John Woolard

With a copy (which shall not constitute notice) to

BrightSource Energy, Inc.
1999 Harrison Street, Suite 2150
Oakland, California 94612
Attention: General Counsel

5.9 Venue. In the event that suit shall be brought by any Party, the Parties agree that trial of such action shall be held in a State Court of the County of Inyo.

5.10 Entire Agreement. This Agreement, together with the other agreements referenced herein, contains the entire understanding between the Parties with respect to the subject matters herein. There are no representations, agreements, or understandings (whether oral or written) between or among the Parties relating to the subject matter of this Agreement which are not fully expressed or referenced herein. This Agreement may not be amended except by written instrument signed by all the Parties.

5.11 No Third Party Beneficiary. The Parties hereto mutually agree that this Agreement is for their sole benefit and is not intended by them to be, in part or in whole, for the benefit of any third party. There is no third party beneficiary to this Agreement.

5.12 Assignment.

5.12.1 Generally. This Agreement shall be binding upon, and inure to the benefit of, each of the Parties and their respective successors and permitted assigns. Except as provided in Section 5.12.2, no Party shall assign this Agreement or its rights or interests hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed.

5.12.2 Certain Exceptions. Notwithstanding the provisions of Section 5.12.1, the Parties agree that Hidden Hills Solar may, upon not less than ten (10) business days' prior written notice to the County, but without County's prior written consent, assign, pledge or otherwise transfer, in whole or in part, its rights and delegate its duties under this Agreement to (a) an Affiliate of Hidden Hills Solar, (b) a successor-in-interest by merger, consolidation or reorganization, (c) a purchaser or other transferee of the Project, or (d) in connection with any debt or equity financing of, or other loans related to, the Project; and the County agrees to enter into such direct agreements and other documents as may be reasonably required or requested by Hidden Hills Solar or its financiers and/or lenders in connection with such assignment, pledge or transfer made in connection with any such loan and/or debt or equity financing. Any assignee of Hidden Hills Solar under this Agreement shall agree in writing to be bound by all of the terms, covenants and conditions of this Agreement. Upon execution of an express written assumption in connection with (i) an assignment of Hidden Hills Solar's rights and obligations hereunder, or (ii) a direct agreement or similar document entered into by the County pursuant to this Section

5.12.2, Hidden Hills Solar shall be automatically released from any and all obligations hereunder. As used herein, the terms "Affiliate of" or "entity affiliated with" a specified entity or person means any other entity or person that directly, or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with the entity or person specified. For purposes of the foregoing, "control," "controlled by," and "under common control with," with respect to any entity or person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity or person, whether through the ownership of voting securities, partnership or member interests, by contract or otherwise.

5.12.3 Other Assignments Null and Void. Any assignment in violation of this Section 5.12 shall be null and void and of no force or effect whatsoever.

5.13 Development as a Private Undertaking. No partnership, joint venture or other association of any kind by or between the County and Hidden Hills Solar is formed, implied or deemed to have arisen by operation of this Agreement.

5.14 Further Assurances. Each Party shall promptly perform, execute and deliver or cause to be performed, executed and/or delivered any and all acts, deeds, and assurances, including the delivery of any documents, as either Party may reasonably require in order to carry out the intent and purpose of this Agreement.

5.15 Nonwaiver. Unless otherwise expressly provided in this Agreement, no waiver by a Party of any provision hereof shall be deemed to have been made unless expressed in writing and signed by such Party. No delay or omission in the exercise of any right or remedy accruing to any Party shall impair such right or remedy or be construed as a waiver of any such right or remedy, whether theretofore or thereafter arising or occurring. The waiver by a Party of any term, covenant or condition herein stated shall not be deemed to be a waiver of any other term, covenant or condition.

5.16 Statement of the Status of this Agreement. Within ten (10) business days' of receipt of a written notice from Hidden Hills Solar, requesting that the County execute, acknowledge and deliver to Hidden Hills Solar a statement in writing certifying that (a) this Agreement is unmodified and in full force and effect (or, if there have been modifications, that this Agreement is in full force and effect, as modified, and identifying each modification); (b) there are not, to the County's knowledge, any uncured defaults on the part of Hidden Hills Solar or County hereunder, or specifying such defaults if any are claimed; and (c) any other matters pertaining to this Agreement which Hidden Hills Solar or any prospective purchaser or encumbrance, shall reasonably request, the County shall provide the requested statement. In the event that the County fails to deliver such statement within such ten (10) business day period, Hidden Hills Solar shall send a second notice (by registered mail or courier) requesting such statement be delivered by the County to Hidden Hills Solar within the five (5) business day period commencing with receipt of the second notice. The County's failure to deliver such statement within either of such time periods shall constitute a material breach of this Agreement.

5.17 Release on Performance. If Hidden Hills Solar ceases to be the owner of the Project and a new owner of the Project has fulfilled all or part of the obligations contemplated in this Agreement, then, to the extent Hidden Hills Solar has not previously been released from those

obligations under Section 5.12.2 hereof, Hidden Hills Solar shall be relieved of those obligations under this Agreement which have been fulfilled by such new owner.

5.18 Default. In the event Hidden Hills Solar or the County fail to perform any act which that Party under this Agreement is required to do or perform, said Party shall be in default. In the event of such default, the non-defaulting Party shall give written notice to the defaulting Party specifying the nature of the default. The defaulting Party shall then have thirty (30) calendar days within which to cure the default, and if the default has not been cured within thirty (30) calendar days, by the defaulting Party or any other Party hereto, the non-defaulting Party may terminate this Agreement or pursue any of the remedies in sections 5.19 and 5.20, below. Notwithstanding the preceding sentence, in the event the default is of nature that cannot be completely cured within such thirty (30) day period, this Agreement may not be terminated by the non-defaulting Party if the defaulting Party or any other Party hereto, within such thirty (30) day period, initiates appropriate corrective action and diligently pursues such corrective action to completion.

5.19 Mediation. The Parties agree that prior to the initiation of any litigation in any court of competent jurisdiction, any and all disputes, claims or controversies arising out of or relating to this Agreement shall be submitted to JAMS, or its successor, for mediation. Either Party may initiate mediation by providing to JAMS and the other Party a written request for mediation, setting forth the subject of the dispute and the relief requested. The Parties will cooperate with JAMS and with one another in selecting a mediator from the JAMS panel of neutrals and in scheduling the mediation proceedings. The Parties agree that they will participate in the mediation in good faith and that they will share equally in its costs. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by any of the Parties, their agents, employees, experts and attorneys, and by the mediator or any JAMS employees, are confidential, privileged and inadmissible for any purpose, including impeachment, in any other proceeding involving the Parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation. Mediation shall not exceed 60 days from the date the mediator is selected unless otherwise mutually agreed to by the Parties in writing. Any dispute between the Parties that cannot be resolved through mediation is subject to the provisions of Section 5.20, below.

5.20 Legal Actions. Subject to Section 5.19, above, either Party may, in addition to any other rights or remedies, institute legal action to cure, correct, or remedy any default, enforce any covenant or agreement herein, enjoin any threatened or attempted violation thereof, recover damages for any default, enforce by specific performance the obligations and rights of the Parties hereto, or to obtain any remedies consistent with the purpose of this Agreement.

5.21 Attorneys Fees. If either of the Parties hereto brings an action or proceeding against the other, including, but not limited to, an action to enforce or declare the cancellation, termination, or revision of the Agreement, the prevailing Party in such action or proceeding shall be entitled to receive from the other Party all reasonable attorney's fees and costs incurred in connection therewith.

5.22 Severability. If any term or provision of this Agreement, or the application of any term or provision of this Agreement to a particular situation, is held by a court of competent

jurisdiction to be invalid, void or unenforceable, the remaining terms and provisions of this Agreement, or the application of this Agreement to other situations, shall continue in full force and effect unless amended or modified by mutual consent of the Parties.

5.23 Indemnification and Cooperation in the Event of a Legal Challenge. Hidden Hills Solar shall defend, indemnify, and hold harmless County, its agents, officers and employees from and against all claims, damages, losses, judgments, liabilities, expenses, and other costs, including litigation costs and attorney's fees, arising out of, resulting from, or in connection with, the County's acts or omissions taken with respect to the Project. Specifically, Hidden Hills Solar's obligation to defend, indemnify, and hold the County harmless specifically extends to any suit or challenge by any third party against the County, including appeals, which contests the legality or adequacy of any discretionary approval by the County, or of an environmental document approved or relied upon by the County, or the County's compliance with the requirements of CEQA. Should Hidden Hills Solar fail to defend, indemnify, and hold harmless County, County may discontinue its participation in the defense of any such litigation.

5.23.1 Hidden Hills Solar's obligations to defend, indemnify, and hold the County, its agents, officers and employees harmless under the provisions of this paragraph shall include, but not be limited to:

5.23.1.1 the costs of any judgments or awards against the County for damages, losses, litigation costs, or attorney's fees arising out of a suit or challenge contesting the adequacy of the environmental document and/or County's compliance with CEQA or other applicable laws;

5.23.1.2 the costs of any settlement representing damages, litigation costs, and attorney's fees to be paid to third parties arising out of a suit or challenge contesting the adequacy of the environmental document and/or the County's compliance with CEQA or other applicable laws.

5.23.2 In the event Hidden Hills Solar requests settlement of a suit or challenge on terms acceptable to plaintiff, and the County refuses Hidden Hills Solar's request, County shall be solely responsible for any attorney's fees and costs incurred from the date of County's refusal and, in the event any judgment or award exceeds the amount of the settlement proposed by Hidden Hills Solar and accepted by the plaintiff but then rejected by County, County shall be responsible for the excess amount. In no event shall Hidden Hills Solar be responsible for any County costs associated with any appeal that is initiated by the County unless agreed to in writing by Hidden Hills Solar.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first set forth above by their duly authorized representatives as follows:

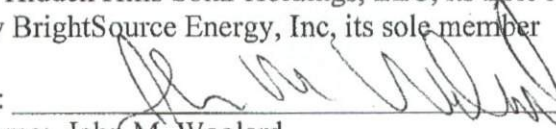
HIDDEN HILLS SOLAR I, LLC

By Hidden Hills Solar Holdings, LLC, its Sole Member,
By BrightSource Energy, Inc, its sole member

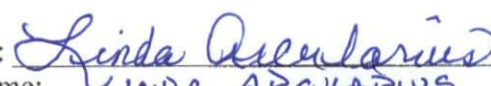
By: 
Name: John M. Woolard
Title: President & CEO

HIDDEN HILLS SOLAR II, LLC

By Hidden Hills Solar Holdings, LLC, its Sole Member,
By BrightSource Energy, Inc, its sole member

By: 
Name: John M. Woolard
Title: President & CEO

COUNTY OF INYO

By: 
Name: LINDA ARCVLARIUS
Dated: 12 MARCH 2013

APPROVED AS TO FORM AND LEGALITY:


County Counsel

APPROVED AS TO ACCOUNTING FORM:


County Auditor

APPROVED AS TO RISK ASSESSMENT:


County Risk Manager

**SIGNATURE PAGE TO AGREEMENT BETWEEN
THE COUNTY OF INYO, CALIFORNIA AND HIDDEN HILLS SOLAR
REGARDING THE HIDDEN HILLS SOLAR ELECTRIC GENERATING SYSTEM**