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Suzan M. Stewart Managing Senior Attorney

February 21, 2012

Via eTariff

Ms. Kimberly Bose, Secretary Federal Energy Regulatory Commission 888 First Street, N.E. Washington, DC 20426

RE: MidAmerican Energy Company Docket No. ER12-___

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act, 16 U.S.C. § 824d, and Part 35 of the Commission's regulations, 18 CFR § 35.13, MidAmerican Energy Company ("MidAmerican") submits for filing an Amended and Restated Qualifying Facilities Contract ("QF Interconnection Contract") between MidAmerican and Upper Rock Energy Partners, LLC ("Upper Rock").

Upper Rock owns and operates a six megawatt ("MW") qualifying facility located in Illinois and interconnected with the MidAmerican distribution system at 13.8 kV (the "Plant"). MidAmerican and Upper Rock originally entered into a Qualified Solid Waste Energy Facilities Contract on August 20, 1999. This original agreement provided for the construction and operation of the interconnection of Upper Rock to MidAmerican's 13.8 kV system and further required MidAmerican to sell and purchase electrical energy from Upper Rock pursuant to the Public Utility Regulatory Policies Act ("PURPA") under MidAmerican's Illinois Rate No. 56, applicable to qualified solid waste energy facilities as defined by Illinois law and the requirements of the Illinois Commerce Commission ("ICC"). This Agreement was amended effective June 1, 2007 when Upper Rock ceased to be eligible for treatment as a Qualified Solid Waste Energy Facility. At that time, the purchases and sales of electrical energy between MidAmerican and Upper Rock became subject to MidAmerican's Illinois Rate No. 57, a buy back rate approved by the ICC applicable to qualifying facilities that are not qualified solid waste energy facilities.

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On the effective date of the QF Interconnection Contract, Upper Rock wishes to terminate sales to MidAmerican pursuant to Illinois Rate No. 57 and become a market participant in the Midwest Independent Transmission System Operator, Inc. ("MISO"), selling its output at wholesale in the MISO market or to make other wholesale sales of capacity and energy as permitted by law. As a result Upper Rock will commence to make wholesale sales of energy utilizing the interconnection and will utilize MidAmerican's distribution facilities, thus subjecting the agreement relating to such services to the jurisdiction of the Commission.

In all respects the interconnection of Upper Rock to the MidAmerican system remains the same as when the interconnection was subject to the jurisdiction of the ICC, and to the maximum extent practicable, MidAmerican has endeavored to keep the terms of the QF Interconnection Contract consistent with the interconnection provisions of the prior agreement.

Below is a summary of pertinent provisions of the QF Interconnection Contract.

Article I. Definitions

This Article contains the definitions applicable to the QF Interconnection Contract.

Article II. Delivery of Capacity and Energy

At Section 2.01, the Agreement provides for MidAmerican to transmit up to six MW of electric energy and demonstrable Plant capacity from the Plant to a point on the Midwest Independent Transmission System Operator, Inc. transmission system. Section 2.02 provides that, based on the existing capacity of the MidAmerican transmission and distribution system, the initial charge for this wholesale distribution service is zero cents per kilowatt-hour. Section 2.03 clarifies that Upper Rock may purchase retail power from MidAmerican for its operations as needed pursuant to its tariffs on file with the ICC.

Article III Interconnection Point, Interconnection Specifications and Commercial Operation

Article III retains the provisions relevant to the interconnection of the Plant to the MidAmerican distribution system.

Article IV. Effective Date, Term and Termination

Article IV provides that the agreement will become effective on February 20, 2012, or such effective date as ordered by the Commission. The QF Agreement terminates after

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30-day notice of Upper Rock to MidAmerican, upon abandonment of the Plant, or in the case of an event of default or bankruptcy. If the Contract terminates, the Plant is to be disconnected from the MidAmerican distribution system.

Article V. Representations, Warranties and Covenants

This Article contains the representations, warranties and covenants of the Parties and retains the provisions from the original agreement.

Article VI. Indemnification and Insurance

This Article retains the provisions from the original agreement.

Article VII. Assignment

This article retains the original provisions regarding assignment which allow the QF Agreement to be assigned upon thirty-day notice and execution of a satisfactory assignment and assumption agreement by the assignor and the assignee, except that assignment to an affiliate is permitted without notice. Further the Article provides that Upper Rock may encumber its interest for financing purposes without approval of MidAmerican.

Article VIII. Amendments; Article IX. Notices; Article X. Miscellaneous

Aside from addresses for notices, these provisions are retained from the original agreement.

Exhibits A-C General Description of Plant, Interconnection Requirements, Synchronous Generator Form

These provisions are retained from the original agreement.

This filing consists of the following:

- 1. This letter of transmittal:
- 2. Amended and Restated Qualifying Facilities Contract, initially dated August 20, 1999, amended effective June 1, 2007, and amended and restated February 20, 2012, designated as Rate Schedule No. 120.

MidAmerican requests that the effective date be February 20, 2012. MidAmerican seeks waiver of the 60-day notice period. Waiver should be granted as the customer has consented to the QF Interconnection Contract and the agreement retains existing provisions to the maximum extent possible.

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MidAmerican Energy has provided a copy of this filing to the Iowa Utilities Board, the Illinois Commerce Commission and the South Dakota Public Utilities Commission. All communications regarding this filing should be directed to:

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712-277-7587 (voice)
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Dehn A. Stevens Manager, Transmission Services MidAmerican Energy Company 106 East Second Street Davenport, Iowa 52801 dastevens@midamerican.com

Sincerely,

/Suzan M. Stewart/

Suzan M. Stewart Managing Senior Attorney

Enclosures

cc: Iowa Utilities Board

Illinois Commerce Commission

South Dakota Public Utilities Commission

Office of Consumer Advocate

MidAmerican Energy Company

Rate Schedule No. 120

Amended and Restated Qualifying Facilities Contract Between MidAmerican Energy Company and Upper Rock Energy Partners, LLC

eTariff Information

Tariff Submitter: MidAmerican Energy Company

FERC Tariff Program Name: FERC FPA Electric Tariff

Tariff Title: Amended and Restated Qualifying Facilities Contract

Tariff Record Proposed Effective Date: February 20, 2012

Tariff Record Description: Rate Schedule No. 120

Option Code: A

AMENDED AND RESTATED QUALIFYING FACILITIES CONTRACT

This Contract, initially entered into on the 20th day of August, 1999, and amended effective June 1, 2007, by and between **MIDAMERICAN ENERGY COMPANY** ("MidAmerican") and UPPER ROCK ENERGY PARTNERS, LLC ("Upper Rock"), is hereby amended and restated this 21st day of February, 2012.

RECITALS

- 1. On August 20, 1999, as subsequently amended effective June 1, 2007, the parties entered into the Contract under the requirements of the Illinois Commerce Commission ("ICC"), which require retail electric public utilities operating in the state of Illinois, such as MidAmerican, to enter into long-term contracts to purchase electricity from a Qualifying Facility.
- 2. Upper Rock has constructed a Qualifying Facility and pursuant to the Contract interconnected with the MidAmerican transmission and distribution system ("MidAmerican T&D") and sold its capacity and energy to MidAmerican. Originally, Upper Rock operated a qualified solid waste facility as permitted under Illinois law. Effective June 1, 2007, the qualified solid waste facility status of Upper Rock terminated, and since that time, the Plant has operated as a Qualifying Facility.
- 3. On the Effective Date, Upper Rock wishes to terminate sales to MidAmerican pursuant to the ICC qualifying facility rules and become a market participant in Midwest Independent Transmission System Operator, Inc. ("MISO"), selling its output at wholesale directly to MISO or to make other wholesale sales of capacity and energy as permitted by law and regulation, and MidAmerican wishes to distribute Upper Rock's output to a point on the MISO transmission system and restate its agreement with Upper Rock.
- 4. Upper Rock's wholesale sales of capacity and energy to entities other than MidAmerican, its host utility, subject its interconnection to the interconnection requirements

applicable to facilities used to transmit wholesale power, which are governed by the Federal Energy Regulatory Commission ("FERC").

5. The Parties wish to restate their agreement regarding interconnection to remove those provisions regarding the sale of capacity and energy to MidAmerican, while retaining those provisions pertaining to the existing interconnection.

The parties agree as follows:

ARTICLE I. DEFINITIONS

Section 1.01. When used in this Contract, the following words and terms shall have the meanings indicated unless clearly stated otherwise:

- a. "Applicable Laws" shall mean the requirements of any federal, state or local government having jurisdiction over the Parties.
- b. "Commercial Operation" shall mean the operation of the Plant, Upper Rock Interconnection Facilities and MidAmerican Interconnection Facilities in compliance with the interconnection requirements set forth in Article III and Exhibit B of this Contract, after having been fully tested and with the capability of generating and transmitting energy to MidAmerican at the Interconnection Point.
- c. "Commercial Operation Date" shall mean the date on which MidAmerican provides its written approval in accordance with Article III for the Plant to commence Commercial Operation.
- d. "Effective Date" shall mean 12:01 A.M. Central Standard Time on February 20, 2012, or such effective date as ordered by FERC.
- e. "FERC" shall mean the Federal Energy Regulatory Commission and its predecessor and successor agencies.

- f. "Financier" shall mean one or more individuals or entities or successors in interest thereof lending money or extending credit (including any financing lease) to Upper Rock (i) for the construction, term or permanent financing of the Plant; (ii) for working capital or other ordinary business requirements for the Plant (including the maintenance, repair, replacement or improvement of the Plant); (iii) for any development financing, bridge financing, credit support, credit enhancement or interest rate protection in connection with the Plant or (v) for the purchase of the Plant and the related rights from Upper Rock. The term "Financier" shall not include any common trade creditor of Upper Rock or any equity investor in Upper Rock.
- g. "Force Majeure" shall mean any unforeseeable cause beyond a party's reasonable control and without its fault or negligence, including, but not limited to, acts of God or of the public enemy, acts of the government (including, but not limited to, any unforeseeable delay in obtaining or failure to obtain any governmental approvals such as but not limited to air quality permits, solid waste permits, building permits, zoning approvals and any renewals or extensions thereof, provided any such delay or failure to obtain approvals are not caused by the party seeking such approval or permits), acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather or delays of contractors or subcontractors due to such causes.
- h. "Good Utility Practice" shall mean those electric utility practices, procedures, methods, selections and use of equipment, and acts including, but not limited to, the operating procedures and methods of MISO that at a particular time, in the exercise of reasonable judgment, would have been expected by those in the electric utility business to be used to accomplish the desired result expeditiously in a manner consistent with safety, laws, regulations, reliability, environmental protection and economy.

- i. "ICC" shall mean the Illinois Commerce Commission and its predecessor and successor agencies.
- j. "Interconnection Point" shall mean that point identified in Section 3.01 of this Contract located on real property owned or leased by Upper Rock where the Upper Rock Interconnection Facilities connect with the MidAmerican Interconnection Facilities.
- k. "MidAmerican" shall mean MidAmerican Energy Company, an Iowa corporation with its principal office in Des Moines, Iowa, and its successors and assigns.
- 1. "MidAmerican Interconnection Facilities" shall mean the interconnection facilities, control and protective devices, and metering facilities provided, installed, owned, operated, maintained, repaired and replaced by MidAmerican, subject to reimbursement as provided in Article III of this Contract, between the Interconnection Point and the MidAmerican T&D for the purpose of connecting the MidAmerican T&D with the Upper Rock Interconnection Facilities at the Interconnection Point.
- m. "MidAmerican T&D" shall mean the MidAmerican transmission and distribution system.
- n. "MISO" shall mean the Midwest Independent Transmission System Operator, Inc. and its successors and assigns, as long as MidAmerican is a member of the Midwest Independent Transmission System Operator, Inc. or its successors or assigns, or such other regional transmission organization of which MidAmerican may become a member and the successors and assigns of such other regional transmission organization.
- o. "Plant" shall mean a Qualifying Facility owned and operated by Upper Rock as described in Exhibit A (or any additions or modifications to the Plant which are described in any revised Exhibit A agreed to by the parties as an amendment to this

Contract), attached hereto and by this reference made a part hereof, and to be constructed within MidAmerican's service area at the location legally described on Exhibit A.

- p. "Rates" shall mean MidAmerican's rate schedules on file with FERC and MISO's Open Access Transmission, Energy and Operating Reserve Markets Tariff filed by MISO with FERC, in both cases, as in effect at any time on or after the date of this Contract and through their expiration or termination, including changes approved by, or allowed by, FERC to become effective.
- q. "Qualifying Facility" shall mean a cogeneration facility or a small power production facility which meets the criteria for qualification set forth in Subpart B of 18 CFR 292.
 - r. "SCADA" shall mean supervisory control and data acquisition.
- s. "Technical Requirements" as to the initial interconnection of Upper Rock to the MidAmerican T & D shall mean the "Technical Requirements for New Interconnections of Generation to the MEC Electric System" dated December 9, 1996 and issued by MidAmerican, and as to any subsequent matters pertaining to interconnection, shall mean the requirements of MidAmerican, MISO, the MISO Tariff and Business Practices then in effect.
 - t. "Transmission Provider" shall mean MISO.
- u. "Upper Rock" shall mean Upper Rock Energy Partners, LLC, a Delaware limited liability company with its principal office in Avon, Connecticut, and its successors and assigns.
- v. "Upper Rock Interconnection Facilities" shall mean the interconnection facilities, control and protective devices, and metering facilities provided, installed, owned,

operated, maintained, repaired and replaced by Upper Rock for the purpose of connecting the Plant with MidAmerican's Interconnection Facilities at the Interconnection Point.

ARTICLE II. DELIVERY OF CAPACITY AND ENERGY

Section 2.01. In accordance with Applicable Laws, MidAmerican shall transmit power up to a maximum of six (6) MW of electric power as well as up to six (6) MW of demonstrable Plant capacity delivered to the Interconnection Point by Upper Rock to a point on the regional transmission system which is managed by MISO as agreed to by the Parties and MISO.

MidAmerican's future obligation to purchase capacity and energy pursuant to this Contract shall be in accordance with, and limited to, the obligations imposed on MidAmerican to purchase such capacity and energy pursuant to Applicable Laws. Nothing herein shall be deemed to enlarge such obligations.

Section 2.02. Based on the existing capacity of the MidAmerican T&D, the initial rate for wholesale distribution service on the Effective Date shall be zero-cents per kilowatt-hour for the capacity and energy distributed.

Section 2.03. Upper Rock may purchase retail electric service from MidAmerican pursuant to its Illinois Commerce Commission tariff pursuant then in effect.

ARTICLE III. INTERCONNECTION POINT, INTERCONNECTION SPECIFICATIONS AND COMMERCIAL OPERATION

Section 3.01. The Interconnection Point shall be the point at which the MidAmerican Interconnection Facilities connect with the Upper Rock Interconnection Facilities which point shall be on the Upper Rock Interconnection Facilities side of the 13 kV interconnection switch of the MidAmerican Interconnection Facilities. The interconnection switch shall serve as the isolating device between Upper Rock Interconnection Facilities and MidAmerican Interconnection Facilities and shall only be operated by MidAmerican. Upper Rock shall convey to MidAmerican without

consideration a suitable easement or other right of access acceptable to MidAmerican for the term of this Contract with rights of ingress and egress at the Interconnection Point for the installation, construction, ownership, operation, maintenance, modification, repair and replacement of that portion of the MidAmerican Interconnection Facilities necessary at or adjacent to the Interconnection Point. The MidAmerican Interconnection Facilities shall include, but shall not be limited to, metering equipment located immediately adjacent to the Interconnection Point and all telemetering equipment located at the MidAmerican Interconnection Facilities or elsewhere which are necessary for the purposes of billing, and control and operation on the MidAmerican T&D.

Section 3.02. The requirements for connecting the Plant and the Upper Rock Interconnection Facilities with the MidAmerican Interconnection Facilities and the MidAmerican T&D shall be as set forth in the Technical Requirements and in Exhibit B, attached hereto and by this reference made a part hereof. Upper Rock shall submit to MidAmerican detailed specifications and plans for the Plant site and the Upper Rock Interconnection Facilities which shall include, but not be limited to, bus protection, generator protection, other equipment protection, the substation site and means of access thereto, for review and advance written approval prior to the installation of the Upper Rock Interconnection Facilities. Such specifications and plans shall meet or exceed the Technical Requirements and shall be submitted in conformance with the Technical Requirements. The specifications and plans described in Section 3.02 shall be submitted to MidAmerican to permit MidAmerican to timely complete its design and construction of the MidAmerican Interconnection Facilities. Prior to, or concurrently with, such submission of detailed specifications and plans to MidAmerican, Upper Rock shall submit to MidAmerican the information identified on the Synchronous Generator Data form, attached hereto, marked Exhibit C and by this reference made a part hereof. Such information shall be based on Upper Rock's good faith estimates and shall be provided in the form of Exhibit C. MidAmerican shall provide its written approval or disapproval within sixty (60) days after receiving the detailed specifications and plans from Upper Rock. Failure of MidAmerican to give its written approval shall be deemed disapproval of the specifications and detailed plans. If MidAmerican disapproves of the initial specifications and plans submitted by Upper Rock, MidAmerican shall state in detail the reasons for its disapproval. Upper Rock shall within thirty (30) days after receipt of the reasons of such disapproval revise and modify the specifications and plans to address the reasonable concerns of MidAmerican set forth in the disapproval notice and resubmit the revised specifications and plans to MidAmerican for written approval or disapproval. Upon receipt of such revised specifications and plans, MidAmerican shall review such specifications and plans and give Upper Rock written notification of MidAmerican's approval or disapproval. If MidAmerican disapproves of the revised specifications and plans submitted by Upper Rock, MidAmerican shall state in detail the reasons for its disapproval and any suggested revisions which may enable the specifications and plans to obtain approval. If MidAmerican disapproves of the revised specifications and plans, Upper Rock may submit another set of revised specifications and plans in accordance with this Section and MidAmerican shall approve or disapprove of such specifications and plans in accordance with this Section. Within ten (10) days after a second disapproval or subsequent disapproval thereafter by MidAmerican under this Section, Upper Rock may submit the disapproval as a dispute pursuant to the alternative dispute resolution procedures of this Contract.

Section 3.03. Upper Rock shall pay for the cost of all stability, power flow, flicker, and/or harmonic analyses to be performed as described in the Technical Requirements. Stability, power flow, flicker, and harmonics power flow analyses shall be conducted and accepted by MidAmerican and MISO, as required by this Section, prior to design and construction of the Plant, the Upper Rock Interconnection Facilities and the MidAmerican Interconnection Facilities. Any specific study, facility design or operational requirement resulting from such analyses shall become a part of this

Agreement by amendment hereto. Notwithstanding that Upper Rock shall be responsible for the costs specified in this Section, MidAmerican shall, in good faith, provide to Upper Rock, prior to the commencement of any work, MidAmerican's estimate of the costs to be incurred. MidAmerican shall also provide promptly to Upper Rock, from time to time, any revisions to such estimates. Such estimates and revisions thereto shall not be binding on MidAmerican. MidAmerican shall also provide to Upper Rock a complete detailed statement of any costs for which MidAmerican shall seek payment or reimbursement hereunder. In the event that Upper Rock shall dispute any amount specified in any such statement, the dispute shall be submitted as a dispute pursuant to the alternative dispute resolution procedures of this Contract, provided that Upper Rock shall pay the disputed amount in full before submitting the dispute to such procedures and MidAmerican shall not be required to pay interest on any disputed amount.

Section 3.04. Upper Rock shall not begin Commercial Operation of the Plant until the Plant and Upper Rock Interconnection Facilities have been inspected by an authorized representative of MidAmerican and MidAmerican has given its final written approval to Upper Rock to commence Commercial Operation. Such inspection shall include an operational test of all protective relaying and associated equipment. During operational testing, the Plant and all Upper Rock Interconnection Facilities shall be operated by Upper Rock. The MidAmerican authorized representative shall observe the operational test. The operational test shall verify that:

- a. Minimum relay requirements for ground trip, directional power, frequency control,
 under voltage, and synchronizing are satisfied;
- b. Installed relays and settings comply with design information provided by Upper Rock to MidAmerican and approved by MidAmerican in accordance with Section 3.01;
- c. Upper Rock's interconnect breaker will:
 - (1) trip upon a loss of voltage on the MidAmerican T&D;

- (2) not close (block close) upon a under voltage condition;
- (3) trip upon ground over current relay operation; and,
- (4) have any manual close feature defeated.
- d. The Plant is capable of synchronizing to the MidAmerican T&D.

Section 3.05. MidAmerican shall cause its authorized representative to inspect the Plant and Upper Rock Interconnection Facilities within fifteen (15) days after Upper Rock submits to MidAmerican a written request for inspection of the Plant and Upper Rock Interconnection Facilities. Upper Rock's written request for inspection shall be accompanied by a written procedure that defines all operational test steps and acceptance criteria. MidAmerican shall provide its written approval or disapproval to commence Commercial Operation within seven (7) days after the Plant and Upper Rock Interconnection Facilities have been inspected by MidAmerican. MidAmerican's criteria for approval or disapproval shall be consistent with the design information provided by Upper Rock to MidAmerican and approved by MidAmerican in accordance with Section 3.01. MidAmerican's approval shall not be unreasonably withheld. Failure of MidAmerican to provide its written approval to commence Commercial Operation shall be deemed disapproval to commence Commercial Operation of the Plant and Upper Rock Interconnection Facilities. The date on which MidAmerican provides its written approval to commence Commercial Operation shall be deemed the Commercial Operation Date. If MidAmerican disapproves the commencement of Commercial Operation, Upper Rock may submit another written request for inspection in accordance with the provisions of this Section. Within ten (10) days after a second disapproval or subsequent disapproval thereafter by MidAmerican under this Section, Upper Rock may submit the disapproval as a dispute pursuant to the alternative dispute resolution procedures of this Contract.

Section 3.06. Upper Rock shall perform a periodic calibration check of all protective relays in the Upper Rock Interconnection Facilities used to protect the MidAmerican T&D. Calibration

tests shall be conducted at least every two (2) years or within 14 days of a malfunction. Upper Rock shall provide certified test reports indicating current settings for all interface protective relays to MidAmerican within 14 days of calibration testing. After each calibration, at the request of MidAmerican, or whenever changes to equipment, protective relaying, or wiring are made in the Upper Rock Interconnection Facilities, operational tests shall be conducted. Operational tests shall demonstrate all equipment intended for interruption or isolation of the Upper Rock Interconnection Facilities from the MidAmerican T&D to be operable within design specifications. If such operational tests or calibration tests show any equipment in the Upper Rock Interconnection Facilities not to be operable within design specifications, Upper Rock shall not attempt to interconnect its Plant to the MidAmerican T&D until such equipment is again demonstrated to be operable. Operational tests shall be the responsibility of Upper Rock and shall be coordinated with MidAmerican.

Section 3.07. The approvals given by MidAmerican pursuant to this Article of this Contract shall be deemed and construed solely as approvals of the compatibility of the Plant and Upper Rock Interconnection Facilities with the MidAmerican Interconnection Facilities and the MidAmerican T&D. Such approvals shall not be deemed or construed as approvals or endorsements of the design of the Plant or Upper Rock Interconnection Facilities, nor as a certification or warranty of the safety, durability, reliability or suitability of the Plant or Upper Rock Interconnection Facilities for any purpose.

Section 3.08. The Plant and Upper Rock Interconnection Facilities shall be designed, installed, constructed, operated, maintained, modified, repaired and replaced in accordance with this Contract, with the technical specifications set forth in Exhibit B of this Contract and MidAmerican's Technical Requirements. At any time during the term of this Contract, MidAmerican may require Upper Rock, at Upper Rock's expense, to install and operate necessary facilities so that power and

energy flowing from the Plant to the MidAmerican T&D will have electrical qualities comparable to the power and energy made available by MidAmerican at the Interconnection Point. Such facilities may include equipment to regulate voltage, current, power factor, and/or purity of voltage and current sine waveforms.

Section 3.09. MidAmerican, in its sole judgment, shall design, acquire right-of-way for, install, construct, own, operate, maintain, modify, repair and replace the MidAmerican Interconnection Facilities. Upper Rock shall reimburse MidAmerican for the reasonable and necessary actual costs of designing, acquiring right-of-way for, installing, constructing, operating, maintaining, modifying, repairing and replacing the MidAmerican Interconnection Facilities. If, at any time in the sole but reasonable judgment of MidAmerican, the Plant or Upper Rock Interconnection Facilities proposed or constructed by Upper Rock require modification of MidAmerican T&D facilities at, or associated with, the point where the MidAmerican Interconnection Facilities connect with the MidAmerican T&D, Upper Rock shall reimburse MidAmerican for all reasonable and necessary actual costs of such modifications. At least sixty (60) days prior to the commencement of the initial construction of such facilities, MidAmerican shall give Upper Rock written notice of the date on which MidAmerican intends to commence construction. The reimbursements required by this Section shall be made by Upper Rock within thirty (30) days after a written request for reimbursement has been submitted to Upper Rock by MidAmerican provided that reimbursement for the initial design, right-of-way acquisition, installation, construction and modifications shall be paid in full to MidAmerican prior to Upper Rock's request that MidAmerican inspect the Plant and Upper Rock Interconnection Facilities pursuant to Section 3.04 of this Contract.

Section 3.10. If MidAmerican, in its sole discretion, elects to upgrade the voltage of the MidAmerican Interconnection Facilities or the voltage of the MidAmerican T&D facilities at, or

associated with, the point where the MidAmerican Interconnection Facilities connect with the MidAmerican T&D from the voltage existing on the effective date of this Contract to a higher voltage, Upper Rock shall bear the expense of upgrading the Upper Rock Interconnection Facilities for the purpose of maintaining the interconnection of the Upper Rock Interconnection Facilities with the MidAmerican Interconnection Facilities.

Section 3.11. Prior to attempting to connect any unit of the Plant through the Upper Rock Interconnection Facilities to the MidAmerican T&D, Upper Rock shall synchronize the unit of the Plant at all times to the MidAmerican T&D and shall use its best efforts to give notice by telephone to the MidAmerican Control Center at least one (1) hour prior to all attempts to synchronize any unit of the Plant with the MidAmerican T&D. After synchronization of a unit of the Plant and subsequent connection through the Upper Rock Interconnection Facilities to the MidAmerican T&D, Upper Rock shall cause the immediate disconnection of the unit from the MidAmerican T&D through tripping of the unit if the unit fails to maintain synchronism with the MidAmerican T&D. When the MidAmerican T&D is de-energized, Upper Rock shall not connect or attempt to connect any unit of the Plant through the Upper Rock Interconnection Facilities to the MidAmerican T&D.

Section 3.12. MidAmerican may disconnect the MidAmerican Interconnection Facilities from, or interrupt its electrical interconnection with, the Upper Rock Interconnection Facilities for scheduled and non-scheduled maintenance, during emergencies or unsafe conditions involving the MidAmerican T&D, as permitted by Applicable Law and whenever the Plant fails to meet the Technical Requirements. MidAmerican shall reconnect the MidAmerican Interconnection Facilities and reestablish electrical interconnection with the Upper Rock Interconnection Facilities once the condition referred to above justifying disconnection has been remedied. MidAmerican shall take all reasonable action to mitigate the duration of any such disconnection. In addition, MidAmerican, upon request by Upper Rock, shall provide Upper Rock with a written description

of the condition or conditions justifying such disconnection within three (3) days after receiving the request.

Section 3.13. Upper Rock shall provide MidAmerican with access at all times to the MidAmerican Interconnection Facilities located on property owned or leased by Upper Rock. Upper Rock shall provide MidAmerican with access to Upper Rock Interconnection Facilities at all times for purposes of inspection.

Section 3.14. Upper Rock shall assist and cooperate in a reasonable manner with MidAmerican in providing all information and reports relating to this Contract, the Plant and the Upper Rock Interconnection Facilities as may be required from time to time by government agencies and other electric power related organizations. For non-MISO and non-governmental reporting, the information shall be limited to that which is not confidential and proprietary to Upper Rock. All confidential and proprietary information provided by Upper Rock to MidAmerican shall be clearly and conspicuously marked as "Confidential and Proprietary" by Upper Rock prior to being provided to MidAmerican.

Section 3.15. Upper Rock shall generate such energy as may be reasonably necessary under MISO or MidAmerican emergency or abnormal conditions as reasonably directed by MidAmerican's system coordinator, so long as a MidAmerican emergency or abnormal condition does not prevent Upper Rock from doing so and the Plant is not out of service for a scheduled maintenance outage or non-scheduled equipment failure outage. A MidAmerican emergency or abnormal condition shall constitute a situation where the normally configured electrical system used to serve Upper Rock and other retail customers has suffered a failure or is no longer intact. A MISO emergency or abnormal condition shall include but shall not be limited to situations where the normally configured MISO electrical system has suffered a failure, a transaction on the MISO electrical system has

abnormally ended, or a MISO generating unit goes out of service for a non-scheduled equipment failure outage.

ARTICLE IV. EFFECTIVE DATE, TERM AND TERMINATION

Section 4.01. This Contract shall become effective on the Effective Date and shall remain in effect unless terminated in accordance with this Article IV.

- (a) Upper Rock may terminate the Contract at any time by giving MidAmerican 30 calendar days prior written notice.
 - (b) Either Party may terminate the Contract after default pursuant to Section 4.03.
- (c) MidAmerican may terminate the Contract upon 60 calendar days' prior written notice, if Upper Rock has abandoned, cancelled, permanently disconnected the distributed generation facility, or if the interconnection customer fails to operate the distributed generation facility in parallel with MidAmerican's electric system for three consecutive years.
- (d) Upon termination of the Contract, the distributed generation facility will be disconnected from MidAmerican's electric distribution system. Terminating the Contract does not relieve either Party of its liabilities and obligations that are owed or continuing when the Contract is terminated.

Section 4.02. This Contract shall be deemed terminated immediately if either party commences, or is authorized by its board of directors, management or partners to commence, a voluntary case under Title 11 of the United States Code; files an answer or other pleading admitting or failing to deny material allegations of a petition filed against it commencing an involuntary case under said Title 11, or seeks, consents to or acquiesces in the relief sought in such petition, or fails to timely controvert the material allegations of any such petition; has entered against it an order for relief in any involuntary case commenced under said Title 11; or seeks relief as a debtor under any

applicable law, other than said Title 11, of any jurisdiction relating to the liquidation or reorganization of debtors or the modification or alteration of the rights of creditors, or consents to or acquiesces in such relief; has entered against it by a court of competent jurisdiction a finding of bankruptcy or insolvency, an order or approval of liquidation, reorganization or any modification or alteration of the rights of its creditors, or an assumption of custody or receivership or other custodian for all or a substantial part of its property; has filed against it a petition under said Title 11 which is not vacated within ninety (90) days after filing; or makes an assignment for the benefit of, or enters into a composition with, its creditors, or appointing or consenting to the appointment of a receiver.

Section 4.03. The representations, warranties and covenants of the parties contained in Section 5.01 and 5.02 of this Contract are material provisions of this Contract and the breach of any such representation, warranty or covenant shall be deemed a material breach of this Contract. Upon such material breach, the non-breaching party shall have the right within fifteen (15) days after obtaining full knowledge of such breach to immediately terminate this Contract by written notice to the other party unless such breach is cured within the thirty (30) day period. Such termination shall be effective retroactively on the date of such material breach.

ARTICLE V. REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 5.01. Upper Rock represents and warrants that it is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of Delaware; that it is authorized to conduct business in the State of Illinois; and that it has the power and authority to enter into and perform this Contract. Upper Rock covenants that during the term of this Contract that it shall remain a duly organized and validly existing legal entity with authority to conduct business in the State of Illinois and shall have the power and authority to perform this Contract. Upper Rock covenants that from the Commercial Operation Date through the termination of this Contract the

Plant shall constitute a Qualifying Facility. Upper Rock further covenants that from the Commercial Operation Date through the expiration or termination of this Contract the Plant and the Upper Rock Interconnection Facilities shall be operated and maintained in accordance with this Contract and Applicable Laws.

Section 5.02. MidAmerican represents and warrants that it is a corporation duly organized, validly existing, and in good standing under the laws of the State of Iowa; that it is authorized to conduct business in the State of Illinois; and that it has the power and authority to enter into and perform this Contract. MidAmerican covenants that during the term of this Contract that it shall remain a duly organized and validly existing legal entity with authority to conduct business in the State of Illinois and shall have the power and authority to perform this Contract. MidAmerican covenants that it now is, and through the expiration or termination of this Contract shall be, an "electric utility" as that term is defined by the qualifying facility law.

ARTICLE VI. INDEMNIFICATION AND INSURANCE

Section 6.01. Each party shall protect, defend, indemnify and hold harmless the other party, its directors, members, officers, employees and agents, from and against all claims, demands, causes of actions, judgments, liability and associated costs and expenses, including reasonable attorneys' fees, arising from property damage, bodily injuries or death suffered by any person as the result of the negligence or willful misconduct of the indemnifying party in the performance of this Contract. Upper Rock shall protect, defend, indemnify and hold harmless MidAmerican, its directors, members, officers, employees and agents, from and against all claims, demands, causes of actions, judgments, liability and associated costs and expenses, including reasonable attorneys' fees, arising from property damage, bodily injuries, or death suffered by any person as the result of the design, installation, construction, ownership, operation, maintenance, modification, repair or replacement

of the Plant and Upper Rock Interconnection Facilities except to the extent such damage, injury or death is caused by the negligence or willful misconduct of MidAmerican. MidAmerican shall protect, defend, indemnify and hold harmless Upper Rock, its directors, members, officers, employees and agents, from and against all claims, demands, causes of actions, judgments, liability and associated costs and expenses, including reasonable attorneys' fees, arising from property damage, bodily injuries, or death suffered by any person as the result of the design, installation, construction, ownership, operating, maintenance, modification, repair or replacement of the MidAmerican Interconnection Facilities and the MidAmerican T&D except to the extent such damage, injury or death is caused by the negligence or willful misconduct of Upper Rock. Any approvals given by MidAmerican shall not constitute a waiver of any claim of MidAmerican for indemnification pursuant to this section 6.01.

Section 6.02. Upper Rock shall protect, defend, indemnify and hold harmless MidAmerican, its directors, officers, employees and agents, from and against all claims, demands, causes of actions, judgments, liability and associated costs and expenses, including reasonable attorneys' fees, arising from the infringement, by Upper Rock of any patent and/or trademark.

Section 6.03A. At all times during the term of this Contract, each party shall purchase, at its own expense, and maintain with insurance companies in good standing and acceptable to the other party, such insurance as will protect each party from liability and claims for injuries and damages which may arise out of or result from each party's operations under the Contract and for which either party may be legally liable, whether such operations are by the insuring party or by a subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. The intent of this Contract shall also be one of indemnity, and that such indemnification shall be covered by insurance. For the further protection of each party, but without restricting or waiving any obligations of either party herein contained, each party shall

insure the risks associated with this Contract with minimum coverages and limits as set forth below:

a. Workers' Compensation Insurance and Occupational Disease Insurance in accordance with statutory requirements of the state and/or Federal Regulations (FELA, USL&H, Jones Act) and Employers' Liability Insurance with limits of not less than:

Bodily Injury by Accident	\$500,000	Each Accident		
Bodily Injury by Disease	\$500,000	Policy Limit		
Bodily Injury by Disease	\$500,000	Each Employee		
covering location of all work places involved in this Contract.				

- b. Commercial General Liability Insurance with limits of \$ 1,000,000.00 per occurrence/aggregate Bodily Injury and Property Damage, including the following coverages:
 - Premises and Operations Coverage;
 - Independent Contractor's Coverage;
 - Contractual Liability covering liabilities assumed under this Contract;
 - Products and Completed Operations Coverage;
 - Coverage for explosion, collapse, and underground property damage;
 - Broad Form Property Damage Liability endorsement;
 - Personal Injury Liability, including Contractual; and
 - Sudden and Accidental Pollution Liability, as appropriate.
- c. Comprehensive Automobile Liability Insurance covering owned, hired and non-owned vehicles with limits of \$1,000,000.00 per occurrence Bodily Injury and Property Damage combined single limits, including Sudden and Accidental Pollution Liability, as appropriate.

d. Umbrella Liability Insurance with a minimum combined single limit of \$5,000,000.00 each occurrence/aggregate where applicable to be excess of the coverages and limits required in a., b., and c. above.

Section 6.03B. Each party shall within thirty (30) days after the date of this Contract deliver to the other party certificates of insurance evidencing valid coverage in effect as specified by Section 6.03A. All of the insurance policies described in Section 6.03A shall contain provisions that the insurance companies will have no right of recovery or subrogation against the other party, its parent, divisions, affiliates, subsidiary companies, co-lessees, or co-venturers, agents, directors, officers, employees, servants, and insurers. Each party, its parent, divisions, affiliates, subsidiary companies, co-lessees, or co-venturers, agents, directors, officers, employees, and servants shall be named as an additional insured in the other party's insurance policies, except statutory Workers' Compensation, required by Section 6.03A. Any and all deductibles in such insurance policies or inadequacy of limits shall be assumed by, for the account of and at either party's sole risk.

Section 6.03C. All policies providing coverage hereunder shall contain provisions that no cancellation or material changes in the policies shall become effective except on thirty (30) days' written notice thereof to the other party. Neither party shall cancel nor make any material change in any such policies without the prior written consent of the other party. For those insurance coverages whereby the other party is required to be named as an additional insured, the insuring party shall at any time requested by the other party during the term of this Contract, deliver to the other party certified copies of any and all insurance policies so requested. Further, should a loss arise after final acceptance that may give rise to a claim against the insuring party, and/or the other party as additional insured, the insuring party shall deliver to the other party, or shall cause its insurers or agents to deliver, certified copies of the policies maintained during the term of this Contract, if so requested by the other party.

Section 6.03D. If either party or its subcontractors fail to provide or maintain any of the insurance coverages referred to this Article VI., the other party shall have the right, but no obligation, to provide or maintain such coverage, or coverage affording equivalent protection, at the other party's expense, either by direct charge or set-off.

Section 6.03E. Neither party represents that the insurance coverages specified herein, whether in scope of coverage or amounts of coverage, are adequate to protect the obligations of each party, and each party shall be solely responsible for any deficiencies thereof. Nothing in this Article VI. shall be deemed to limit each party's liability under this Contract.

Section 6.04. Any insurance required by this Article to be maintained by MidAmerican may be maintained in the form of self-insurance.

Section 6.05. All insurance coverage required by this Contract shall provide insurance for occurrences from the date of this Contract through its expiration or termination. In the event that any insurance coverage is provided on a "claims-made" basis, such insurance shall provide for a retroactive date not later than the date of this Contract and such insurance shall be maintained by each party, with a retroactive date not later than the date of this Contract, for the continuous term of this Contract. The insurance coverages required of each party by this Contract for occurrences from the date of this Contract through its expiration or termination, and provided on a "claims made basis," shall be maintained for a minimum of two (2) years either by a "tail" endorsement or as an integral part of the insuring party's ongoing insurance program.

Section 6.06. All insurance coverage, other than self-insurance, required by this Contract shall be issued by an insurer acceptable to the other party.

Section 6.07. Each party shall require its insurer to notify the other party of any material change in, or cancellation of, the insurance required by this Contract at least thirty (30) days prior to the effective date of such change or cancellation.

Section 6.08. Within fifteen (15) days after the date of this Contract, each party shall provide to the other party, and thereafter maintain with the other party, a current certificate of insurance verifying the existence of the insurance coverage required by this Contract.

ARTICLE VII. ASSIGNMENT

Section 7.01. This Contract shall inure to the benefit of, and be binding upon the parties hereto and their successors and assigns. This Contract shall not be assigned or transferred by either party without the prior written consent of the other party, which consent shall not be unreasonably withheld, except that no consent shall be required for any assignment or transfer of this Contract to an affiliate of the assignor or transferor, or any assignment or transfer by merger, consolidation, or reorganization. For the purposes of this Section, an affiliate shall constitute any corporation or legal entity which (i) is owned or controlled by, (ii) owns or controls, or (iii) is owned or controlled by the corporation or other legal entity owning or controlling, either of the parties to this Contract. Notwithstanding the foregoing, if the Plant is sold or Upper Rock ceases to operate the Plant, this Contract shall not be deemed assigned or assumed by the purchaser or new operator of the Plant unless assigned in accordance with this Article.

Section 7.02. The assignor of this Contract shall provide to the other party at least thirty (30) days prior to the effective date of any proposed assignment the instrument of assignment and assumption duly executed by the assignor and the assignee in which the assignee unconditionally assumes and agrees to be bound by all of the terms and conditions of this Contract, including, but not limited to, liabilities incurred by the assignor under this Contract prior to the assignment.

Section 7.03. Upper Rock, without approval of MidAmerican, may, by security, charge or otherwise encumber its interest under this Contract to a Financier for the purposes described in

Section 1.01.f. Within ten (10) days after making such encumbrance, Upper Rock shall notify MidAmerican in writing of the name, address, and telephone and facsimile numbers of the Financier to which Upper Rock's interest under this Contract has been encumbered. Such notice shall include the names of the account managers or other representatives of the Financier to whom all written and telephonic communications may be addressed. Such notice shall also include a complete and accurate copy of the document by which Upper Rock's interest has been encumbered. After giving MidAmerican such initial notice, Upper Rock shall promptly give MidAmerican written notice of any change in the information provided in the initial notice or any revised notice. If Upper Rock encumbers its interest in this Contract as permitted by this Section, the following provisions shall apply:

- a. The parties, except as provided by the terms of this Contract, shall not modify or cancel this Contract without prior written consent of the Financier, which consent shall not be unreasonably withheld, delayed or conditioned.
- b. The Financier shall have the right, but not the obligation, to do any act required to be performed by Upper Rock under this Contract to prevent or cure a default by the Upper Rock and such act performed by the Financier shall be as effective to prevent or cure a default as if done by Upper Rock, provided that the operation and maintenance of the Plant shall not be conducted by any person or entity other than Upper Rock without the consent of MidAmerican, which consent shall be based solely on the experience and ability of such person or entity to operate and maintain facilities in the nature of the Plant. Such consent shall not be unreasonably withheld, delayed or conditioned.
- c. MidAmerican shall upon request by Upper Rock execute statements certifying that this Contract is unmodified (or modified and stating the nature of the modification), in full force and effect and the absence or existence (and the nature thereof) of defaults hereunder by Upper Rock.

d. Upon the receipt of a written request from a Financier, MidAmerican shall enter

into reasonable agreements with the Financier which agreements provide that MidAmerican

recognizes the rights of the Financier hereunder upon foreclosure of the Financier's security interest

so long as neither Upper Rock nor the Financier is in material default of the terms of this Contract,

which default is not being cured within the applicable cure period, and provided further that any

such agreement shall not constitute a modification of this Contract.

ARTICLE VIII. AMENDMENTS

Section 8.01. This Contract shall not be changed or amended unless such change or

amendment shall be in writing and signed by authorized representatives of both parties.

ARTICLE IX. NOTICES

Section 9.01. Unless provided otherwise by this Contract, any notice, request, demand,

statement, payment or routine communication allowed or permitted by this Contract, Applicable

Laws, or any notice or communication which either party may desire to give to the other, shall be in

writing and shall be considered as delivered when received by the other party by certified United

States mail addressed to the other party at its address indicated below or at such other address as

either party may designate for itself in a notice to the other party.

To MidAmerican:

MidAmerican Energy Company

Attn: Manager, Electric System Planning

106 East Second Street

Davenport IA 52801

With copy to:

Suzan Stewart

Managing Senior Attorney

401 Douglas Street

P.O. Box 778

Sioux City, Iowa 51102

(FAX) 712-252-7396

To Upper Rock:

Upper Rock Energy Partners, LLC

c/o Biogas Energy Solutions, LLC

Attention: Bob Collie (CEO) and Mary Lou Kachnowski (Corp.

Secretary)

40 Tower Lane

Avon, Connecticut 06001

The number for telephonic notices to the MidAmerican Control Center shall be:

515-252-6465

Section 9.02. In lieu of Section 9.01, any notice, request, demand, statement, payment or communication described in such Section, other than telephonic notices, shall be in writing and shall be considered as delivered when delivered by prepaid overnight delivery to the other party by the United States Postal Service, Federal Express, Airborne or United Parcel Service at the address of the other party indicated below or at such other address as either party may designate for itself in a notice to the other party.

To MidAmerican:

MidAmerican Energy Company

Attn: Manager, Electric System Planning

106 East Second Street

Davenport, IA 52801

With copy to:

Suzan Stewart

Managing Senior Attorney

MidAmerican Energy Company

401 Douglas Street

P.O. Box 778

Sioux City, Iowa 51102

(FAX) 712-252-7396

To Upper Rock:

Upper Rock Energy Partners, LLC

c/o Biogas Energy Solutions, LLC

Attention: Bob Collie (CEO) and Mary Lou Kachnowski (Corp. Secretary)

40 Tower Lane

Avon, Connecticut 06001

ARTICLE X. MISCELLANEOUS

Section 10.01. The alternative dispute resolution procedures which shall apply to this Contract are as follows:

- a. Either party may notify the other party in writing that a dispute under this Contract has arisen. Such notification shall be made in good faith and not for the purpose of delay or harassment. The notification shall state the facts relied upon, the specific provisions of this Contract and applicable law which support the notifying party's position and the remedy sought by such party. Within twenty (20) days after receipt thereof the parties shall meet, by telephone or otherwise, in an attempt to informally settle the dispute. During such twenty-day period, the party receiving the notification may, but shall not be required to, submit a written response.
- h. If the parties cannot informally settle the dispute within twenty (20) days after the initial meeting specified in Subsection a. of this Section or within such other period of time as the parties agree to in writing, either party may give notice to the other party within fourteen (14) days after the expiration of the twenty-day or otherwise agreed-upon period requiring that the dispute be referred either to expert resolution, as provided in Subsection d. of this Section, or to binding arbitration, as provided in Subsections e. through j. of this Section. Disputes involving only technical matters and not requiring legal interpretations including interpretation of this Contract shall be submitted to expert resolution. Disputes involving legal interpretations, including disputes involving interpretation of this Contract, shall be submitted to arbitration. Any notice requiring referral to expert resolution or arbitration shall clearly state the dispute, the facts relied upon, the specific provisions of this Contract and applicable law which support the notifying party's position, the remedy sought by such party and its request for either expert resolution or arbitration. Thereupon, the dispute shall be determined by expert resolution or arbitration, as the case may be. If there is a dispute concerning whether the matter shall be referred to expert resolution or arbitration, such dispute concerning the proper forum shall be submitted to arbitration, as provided by this Section.

- c. If either party does not, within the fourteen-day period following the twenty-day period or otherwise agreed-upon period referred to in Subsection b. of this Section give notice to the other party requiring that the dispute be referred to expert resolution or arbitration, each party shall be deemed to have waived its right to expert resolution or arbitration. Absent such right, the dispute shall not be submitted to expert resolution or arbitration without agreement of the parties. Absent expert resolution or arbitration, the parties may pursue any and all means of asserting or protecting their rights under this Contract.
- d. Expert resolution as set forth in this Section shall be effected by a single expert agreed upon, in writing, by the parties. If the parties fail to agree upon a single expert within twenty (20) days after the notice requesting expert resolution is received by one party from the other party, or after it is determined that the dispute shall be submitted to expert resolution, whichever is later, a single expert shall be nominated in writing by the American Arbitration Association upon the request of either party. Such nominee shall not be an employee of either party or have had any association with either party, but may be an employee of the American Arbitration Association. If the American Arbitration Association fails or refuses to so nominate such a person within fourteen (14) days after having been requested to do so, the dispute shall be submitted to arbitration. Within thirty (30) days after the appointment of an expert, such expert shall accept written submissions regarding the dispute from the parties. A copy of such submissions shall be provided concurrently to the other party by the submitting party. The expert shall resolve the matter and provide, in writing, the reasons for such resolution within sixty (60) days of appointment. The expert shall be deemed to be acting as an expert and not as an arbitrator, and such expert's determination shall be final and binding on the parties. The costs of any expert resolution shall be borne by the party requesting expert resolution.

- e. Arbitration as set forth herein shall be effected by a single arbitrator in accordance with the provisions of this Section and in accordance with the Commercial Arbitration Rules of the American Arbitration Association; provided, however, that notwithstanding any provisions of such rules, the parties shall have the right to take depositions and obtain discovery regarding the subject matter of the arbitration, as provided in the Illinois rules of civil procedure. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. The arbitrator shall determine all questions of fact and law relating to any controversy, claim or dispute hereunder, including but not limited to whether or not any such controversy, claim or dispute is subject to the arbitration provisions contained herein.
- f. Any party desiring arbitration shall serve on the other party and the Chicago, Illinois Office of the American Arbitration Association, in accordance with the Commercial Arbitration Rules, its Notice of Intent to Arbitrate. The Notice of Intent shall be filed in writing concurrently with the other party to this Contract and with the American Arbitration Association, and shall be accompanied by the name of an arbitrator suggested by the party serving the Notice of Intent. The party served with the notice shall advise the other party in writing of the name of its suggested arbitrator. If the parties cannot agree upon an arbitrator within fifteen (15) days after the suggestion of an arbitrator by the second party or if the second party fails to make a suggestion, the arbitrator shall be selected in accordance with the Commercial Arbitration Rules. The arbitration proceedings provided hereunder are hereby declared to be self-executing, and it shall not be necessary to petition a court to compel arbitration.
- g. All arbitration proceedings shall be held in Rock Island County, Illinois. The parties shall bear their own costs associated with any required travel to and from Rock Island County.

- h. Unless prohibited by agreement of the parties, either or both parties may be legally represented in any and all phases of the arbitration proceedings. The arbitrator shall make a determination within three (3) months after the dispute is submitted for arbitration.
- i. Notwithstanding the existence of a dispute and until the expert or arbitrator, as applicable, issues an award, each party shall be obligated to fulfill its obligations and continue its performance in accordance with the terms of this Contract.

Section 10.02. Within thirty (30) days after the effective date of any change in Applicable Laws which affects this Contract, the parties shall execute a written amendment to this Contract reflecting such change. The amendment shall be effective on the effective date of the change in the law or rule. This Contract shall not in any manner limit the rights of MidAmerican to propose changes in Applicable Laws.

Section 10.03. The time for performance of any obligation required by this Contract which has been delayed by an event of Force Majeure shall be extended by the period of Force Majeure provided the party experiencing the delay shall notify the other party of the cause of the delay and the anticipated period of the delay within ten (10) days after the commencement of the event of Force Majeure. No event of Force Majeure shall extend the time for payment of any amounts due hereunder.

Section 10.04. This Contract may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 10.05. This Contract shall supersede all other prior and contemporaneous understandings or agreements, both written and oral, between the parties relating to the subject matter of this Contract.

Section 10.06. THIS CONTRACT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ILLINOIS. Each party

irrevocably consents that any legal action or proceeding arising under or relating to this Contract shall be brought in any court of the State of Illinois or any federal court of the United States of America located in the State of Illinois. Each party irrevocably waives any objection which it now or may in the future have to any of such courts as the proper forum for any action arising under or relating to this Contract.

Section 10.07. No delay or omission in the exercise of any right under this Contract shall impair any such right or shall be taken, construed or considered as a waiver or relinquishment thereof, but any such right may be exercised from time to time and as often as may be deemed expedient. In the event that any provision of this Contract shall be breached and thereafter waived, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach of this Contract. The rights and remedies provided by this Contract shall be in addition to those rights and remedies available to the parties in both law and equity.

Section 10.08. All exhibits referred to in this Contract are hereby made a part of this Contract by this reference. The headings contained in this Contract are solely for convenience and do not constitute a part of the Contract between the parties, nor should such headings be used to aid in any manner in the construction of this Contract.

Section 10.09. This Contract is intended solely for the benefit of the parties hereto. Nothing in this Contract shall be construed to create any duty to, or standard or care with reference to, or any liability to, or any benefit for, any person not a party to this Contract.

Section 10.10. This Contract is not intended, and shall not be construed, to create any association, joint venture, agency relationship or partnership between the parties or to impose any such obligation or liability upon either party. Neither party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or otherwise bind, the other party.

Section 10.11. If any Article, Section, paragraph, phrase, provision or portion of this Contract shall for any reason be adjudged to be illegal or unenforceable by a court of competent jurisdiction, such Article, Section, paragraph, phrase, provision or portion so adjudged shall be deemed separate, distinct and independent, and the remainder of this Contract shall be and remain in full force and effect and shall not be rendered illegal or unenforceable or otherwise affected by such adjudication.

Section 10.12. Without limiting any other right of MidAmerican, at all times during the term of this Contract, MidAmerican shall have the right to set-off any amounts due and owing by MidAmerican to Upper Rock against any amounts due and owing by Upper Rock to MidAmerican pursuant to this Contract or otherwise, and MidAmerican shall be deemed to have exercised the right of set-off at the time of such election. MidAmerican shall give Upper Rock notice of any such election, but failure to provide such notice shall not affect MidAmerican' right of set-off.

IN WITNESS WHEREOF, the parties have caused this Contract to be executed by their authorized representatives as of the date first above written.

MIDAMERICAN ENERGY COMPANY	UPPER ROCK ENERGY PARTNERS, LLC
By	By
Name	Name
Title	Title

EXHIBIT A GENERAL

DESCRIPTION OF PLANT

The Upper Rock Island Landfill is located in East Moline, Illinois. The site consists of three phases. Filling to date has been in Phase 1. This is the waste for which the energy recovery system has been designed. Allied Waste Industries owns and operates the site. There is approximately 2 million tons of waste in-place. The site accepts primarily municipal solid waste from residential, commercial, and other industrial sources. In the spring of 1998 Zapco installed a landfill gas collection and flare system with a capacity of 2,000 scfm. Landfill gas will be flared until an electrical power generating facility is installed. Up to 4 MW, possibly more in the future, will be generated and sold to MidAmerican Energy. The project has an estimated life of 20 years.

Gas Extraction System

Twenty-eight wells were placed in Phase 1 during the spring of 1998. Laterals and header pipes ranging in 4" to 10" in diameter installed below grade are used to collect the gas from the wells. A 2,000 scfm landfill gas blower is used to draw the gas from the header and feed a candlestick flare.

The new gas wells consist of 6-inch, schedule 80 PVC pipe installed through the refuse and connected, via wellheads to a lateral and header system for conveyance of landfill gas to the blower. The gas wells consist of vertical PVC pipes, wherein a portion of the pipe is slotted to capture LFG. Boreholes are dug with a 36-inch bucket type auger to create the annular space.

The space is backfilled with 1 1/2 - 2-inch gravel. Each well incorporates an exposed well head assembly for connection to the pipe laterals. Horizontal pipe laterals convey the gas from the wellhead to the main header. The main header includes condensate collection sumps, located at low points in the line which serve to reduce head loss or blockage of the collection system. Condensate collected in the sumps is drained back into the refuse.

Gas-to-Energy System

The energy produced here is electrical power, generated by reciprocating engine driven synchronous generators. The engine/generators are packaged as a single unit, with each unit or module containing a circuit breaker, circuit breaker controls, engine operational controls, and auxiliary systems. Each module is self-sufficient, factory packaged, requiring only fuel gas and electrical power bus connection points. At the Upper Rock facility each module has a nominal generating capacity of 1 MW.

The fuel supply for the engines, of course, is landfill gas. The landfill gas will be supplied by the same landfill gas recovery system feeding the candlestick flare package. The gas is drawn out of the landfill by a centrifugal blower at a vacuum ranging from -15 to -60 " w.c. The gas is compressed to a pressure of 2 to 5 psig, and then cooled from a blower discharge temperature of 180 degrees F down to 100 degrees F. Moisture and particulates are removed by a 0.3 micron filter before the gas is fed to the engines. Each engine consumes 350 scfm at the nominal full load rating.

The engine/generator module units are designed to operate continuously. Minor overhauls are required at intervals of 16,000 hours and majors at 32,000 hours.

The operation of the engine/generators is continuously monitored and controlled by the latest in data acquisition technology.

Flare System

The installed flare is a candlestick type, not enclosed. It is part of a skid-mounted package which contains a water separator, blower, flame arrestor, flowmeter, piping and controls. The flare system is designed for automated start and continuous unattended operation. Landfill gas is drawn by the blower at a vacuum of up to -60" w.c, and discharged to the flare at a pressure of 7 to 10" w.c. Fire safety features include a flame arrestor in the gas line feeding the flare and a landfill gas shutoff valve controlled by a low flame temperature, flame failure or blower failure condition.

EXHIBIT B

INTERCONNECTION REQUIREMENTS

I. Purpose

The purpose of this exhibit is to outline the interconnection requirements for the Plant described in Exhibit A.

II. Standards

All standards are defined in the Contract.

III. Interconnection

Upper Rock shall connect the Plant described in Exhibit A as shown on the Upper Rock one-line diagram drawing 3578E401.

IV. Equipment Installed or Caused to be Installed by MidAmerican and Paid for by Upper Rock

In accordance with Section 3.10 of the Contract, MidAmerican shall purchase, install, own, operate, maintain, repair and replace the following equipment subject to reimbursement by Upper Rock in accordance with Section III of the Contract:

- A. The following modifications to MidAmerican's Substation 47:
 - Install one 13.8 kV potential transformer connected line-to-ground and one voltage relay to supervise closing and reclosing of the Circuit 13-47-4 feeder breaker.
 - 2. Install direct transfer trip equipment to provide direct transfer trip of the Plant whenever (i) the Circuit 13-47-4 feeder breaker is open or (ii) upon a communication channel failure (after time delay expiration).
 - 3. Install reverse power relaying equipment to provide direct transfer trip of the Plant whenever power flow is from the 13.8 kV side of the

- Substation 47 161-13.8 kV transformer towards the 161 kV side of the transformer.
- 4. Install microwave radio facilities at Substation 47 to provide a direct transfer trip communication path between Substation 47 and the Plant.

B. The following modifications at the Plant:

- 1. Install a supervisory control and data acquisition (SCADA) remote terminal unit.
- 2. Install microwave radio facilities with associated antennas and antenna structure at the Plant to provide a direct transfer trip communication path between Substation 47 and the Plant and to provide a communication path for SCADA information between the Plant and MidAmerican.
- Install cellular telephone facilities at the Interconnection Point to provide MidAmerican dial-up remote meter reading functions for the Plant.
- 4. Install direct transfer trip audio tone equipment at the Plant.
- 5. Install a three-phase group-operated disconnect switch to be utilized as part of the Interconnection Point.
- 6. Install metering which shall include (i) three-phase, four-wire electric meter(s) capable of metering and registering kilowatt demand, kilovar demand and kilowatt-hour consumption of power and energy delivered to and received from the Plant, (ii) any required current and/or potential transformers and (iii) any required miscellaneous wiring, conduits, switches, sockets and/or enclosures to provide metering at 13.2/7.62 kV grounded wye.

- 7. Install appropriate facilities as shown on Exhibit B.l to tap

 MidAmerican's Circuit 13-47-4 near the intersection of 20th Avenue

 North with 172nd Street in Rock Island County, Illinois.
- 8. Install approximately 150 feet of overhead three-phase 336 MCM 18/1 ACSR conductor and one 4/0 6/1 ACSR neutral from the tap point of MidAmerican's Circuit 13-47-4 to a new wood pole on Upper Rock Island County Land Fill property immediately north of 20th Avenue and immediately west of 172nd Street as shown on Exhibit B.l. Such wood pole shall support the three-phase group-operated disconnect switch listed above to act as a part of the Interconnection Point.
- 9. Install approximately 150 feet of overhead three-phase 336 MCM 18/1 ACSR conductor and one 4/0 6/1 ACSR neutral from the Interconnection Point to a new wood pole as shown on Exhibit B.l. Such wood pole shall support the three-phase metering equipment listed above.
- C. The following modification to MidAmerican's communication network:
 - Install channel equipment within MidAmerican's communication network to establish a SCADA channel path between the Plant and MidAmerican's Des Moines Control Center.

V. Equipment Installed by Upper Rock:

In accordance with Section 3.09 of the Contract, Upper Rock shall purchase, install, own, operate, maintain, repair and replace the following equipment:

- A. Upper Rock Interconnection Facilities in accordance with Section 3.09 of the Contract.
- B. Three-phase power cable from the metering pole identified in Section IV.B.9 to the Plant.
- C. Any required current, voltage, kilowatt and/or kilovar transducers to perform SCADA functions.
- D. Any required station power transformers to provide power to MidAmerican's equipment at the Plant.
- E. Space in Upper Rock's enclosed building for mounting SCADA remote terminal units, mounting microwave radio communication equipment, installing direct transfer trip relays and installing direct transfer trip tone equipment.
- F. Access to main generator breaker control contact(s) to facilitate direct transfer trip function.
- G. Any required breaker auxiliary contacts to facilitate SCADA receipt of Plant breaker status information.

EXHIBIT C

SYNCHRONOUS GENERATOR FORM

Kind of Machine <u>Gas Engine</u>	_ Name of Plant
Manufacturer Newage Stamford	or Substation Upper Rock
Unit No	Date
Make HC 634 K	KVA1226
Arrangement No.	kW987
Serial No. Engine	HP1396
Generator	Power Factor 0.8 Lag to 0.8 Lead
Type	Voltage 480 Volt
Winding Connection WYE	Current1476 Amp
Damper (Amortissenur) Winding? Yes 2/3 Pitch	Frequency 60 Hz
Reactances in % on Machine Kva Base	
	No. of Phases 3
x _d (Synchronous) 2.31 p.u.	
	RPM 1800
x' _d (Transient) 0.19 p.u.	
	Neutral Grounded? Yes
x" _d (Subtransient) 0.13 p.u.	
	Grounding Resistance (Ohms) Solid

x ₂ (Negative-sequence) 0.19 p.u.	
	Grounding System Time Constants in
Seconds:	
x _o (Zero-sequence) 0.02 p.u.	
	Field Winding
x _q (Quadrature axis, synchronous) 1.36 p.u.	
	T' _{d0} (Open Circuit, transient) 3.400 sec.
x'q (Quadrature axis, transient)	
	T' _d (Short Circuit, transient) 0.185 sec.
x" _q (Quadrature axis, subtransient) 0.20 p.u.	
	T" _d (Short Circuit, subtransient) 0.025 sec.
	Armature Winding
	T _a (With Field Shorted) 0.049 sec.