April 30, 2014

California Energy Commission
Office of the Executive Director
ATTN: Mr. Rob Oglesby
1516 9th Street, MS-39
Sacramento, California 95814-5512

RE: Project: CEC-RPS – ID #61197A North Palm Springs 4A
Project Owner: North Palm Springs Investments, LLC
Resolution: #14-0422-12 Adopted April 22, 2014

Dear Mr. Oglesby:

Pursuant to the recent Resolution #14-0422-12, attached hereto as Exhibit A, please accept this communication as a formal request for consideration of waiver regarding a missed application deadline that has resulted in significant financial consequence to the facility owner.

The project has a 4.12 MW nameplate capacity as a photovoltaic energy facility which is owned by North Palm Springs Investments, LLC ("NPSI"). By means of a Power Purchase Agreement ("PPA") by and between NPSI and SCE, where SCE is the Power Purchaser, SCE is requesting reimbursement from NPSI for payments that they made to NPSI during the period the system was pending the Final Certification and SCE has subsequently withheld additional payments.

Although significant effort was made to secure the Final Certification, the RPS Guidelines at the time did not provide for the ability to request a filing extension. While we do acknowledge our delinquency in filing, there are significant extenuating circumstances to show this was a clerical and unintentional oversight during a period of restructuring. Having met all RPS standards, in no way was the filing delayed due to the facility being non-compliant.

Attached hereto as Exhibit B is a letter dated August 30, 2013 that was sent to Mr. Mark Kootstra which summarizes the timeline of events that contributed to the delay of filing and demonstrates efforts made in good faith. Mr. Kootstra was very helpful, however, at the time, there was no allowance or procedure for extension requests due to any extenuating circumstances so unfortunately, the certification could not have been made retroactive.

NPSI CEC Request For Revised Effective Date – Final Certification
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SCE is requesting reimbursement of $477,318.93 as reflected in their letter and invoice dated August 2, 2013, attached hereto as Exhibit C. This amount represents the SCE payments made to NPSI for the period of November 1, 2012 through June 1, 2012 which was prior to receipt of the Final Certification.

To provide documentation of further significant financial consequences, included as Exhibit D attached hereto are the SCE statements from June 1, 2013 through March 31, 2014. These statements reflect the kWh generated and the respective power purchase amounts for an additional total of $990,846.17, of which SCE has withheld $477,318.93 as their reimbursement for power purchased during the ineligible period.

The system has continued to produce energy of which the utility has received full benefit. In our opinion, the system has been compliant with the RPS standards since commencement of commercial operation, and therefore should not warrant the extreme financial consequences currently being assessed.

Subject to your final determination, we will subsequently pursue direct and immediate reconciliation with SCE.

We therefore respectfully request your consideration for revision of the date of issuance of the Final Certification to be retroactive to the Commercial Operation Date of November 5, 2012 and to therefore deem the power received and purchased by SCE during the subject period to apply towards their renewable targets.

Thank you in advance for your time and consideration.

Sincerely,

Steve Kircher  
Chief Strategy Officer  
SPI  
An LDK Company  
3400 Douglas Blvd. Suite 285  
Roseville, CA 95661-3875  
US Phone: (916) 770-8186  
US Fax: (916) 771-3651  
www.spisolar.com | A world-class solar energy facilities development company

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