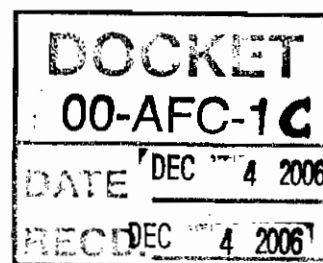


GALATI & BLEK
Counselors & Advocates

Plaza Towers
555 Capitol Mall
Suite 600
Sacramento, CA 95814

December 4, 2006

Ms. Raquel Rodriguez
California Energy Commission
Docket Unit, MS-4
1516 Ninth Street
Sacramento, CA 95814-5512

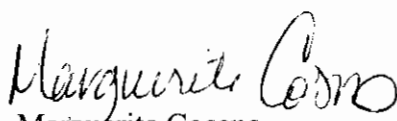


Re: Docket No. 00-AFC-1C

Dear Ms. Rodriguez:

Enclosed for filing with the California Energy Commission are one original and 12 (Twelve) copies of **PG&E'S PETITION FOR MINOR AMENDMENT TO CLARIFY IT IS THE SOLE OWNER OF THE CONTRA COSTA POWER PLANT UNIT 8 AND FOR NAME CHANGE**, for the Contra Costa Power Plant Unit 8 Energy Project (00-AFC-1C).

Sincerely,


Marguerite Cosens

mc/ep
Enclosures

...Contra Costa 8/cover Docket 12/1/2006

Scott A. Galati
GALATI & BLEK, LLP
555 Capitol Mall Avenue
Suite 600
Sacramento, CA 95814
(916) 441-6575

STATE OF CALIFORNIA

Energy Resources
Conservation and Development Commission

In the Matter of:

CONTRA COSTA POWER PLANT
UNIT 8

DOCKET NO. 00-AFC-1C

**PG&E'S PETITION FOR MINOR
AMENDMENT TO CLARIFY IT IS
THE SOLE OWNER OF THE
CONTRA COSTA POWER PLANT
UNIT 8 AND FOR NAME CHANGE**

INTRODUCTION

On January 13, 2006 Mirant Delta LLC (Mirant) filed a petition to amend the License for the Contra Costa Power Plant Unit 8 (CC8) to extend the construction milestones, make four facility enhancements, and add Pacific Gas and Electric Company (PG&E) as a joint holder of the License to construct and operate CC8. As described in that petition, Mirant and PG&E had executed an Asset Transfer Agreement (ATA), which would allow PG&E the ability to acquire all of the CC8 assets. PG&E filed a verified statement that assured the California Energy Commission (Commission) that if it acquired the CC8 assets, it would comply with all the Conditions of Certification contained in the License and certain Statements of Understanding contained in Commission Staff's analysis of the petition. The Commission approved the petition on July 19, 2006.

PG&E and Mirant closed under the ATA on November 28, 2006. PG&E is now the sole owner of the CC8 assets and therefore requests that the Commission enter an

order recognizing that Mirant is no longer a joint holder of the License. In addition to the ownership change, PG&E requests the CEC approve a change in the project name.

NEED FOR THE AMENDMENT

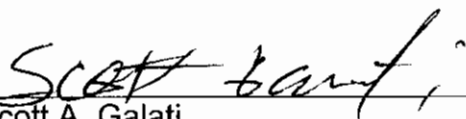
At the time of the original Petition, which requested the addition of PG&E as a joint holder of the License, the ATA contemplated sharing of certain facilities and ancillary permits between Mirant and PG&E. Specifically, PG&E would rely on Mirant's authorization to withdraw water from the river. Since the July 19, 2006 Commission approval, Mirant and PG&E have amended certain requirements of the ATA in such a manner that there will not be the sharing of facilities that would require both Mirant and PG&E to be obligated under the License for compliance with its Conditions of Certification.

On November 28, 2006 the parties closed under the ATA as amended. Now, it is clear that PG&E is the sole owner of the power plant assets, is not a joint holder of any ancillary permit applicable to CC8, and will be solely responsible for compliance with the Conditions of Certification. PG&E will be filing a separate amendment to change the cooling technology, which will not involve the use of river water. PG&E therefore respectfully requests the Commission amend the License to remove Mirant as a joint holder. In support of this petition, we attach the following to demonstrate that PG&E is now the sole owner of the CC8 assets:

- Attachment 1, Bill of Sale
- Attachment 2, Improvements Grant Deed
- Attachment 3, Lease Agreement

In addition, PG&E conducted a contest among its employees to identify a new name for the facility. To that end, PG&E requests the Commission to approve changing the name from the Contra Costa Power Plant Unit 8 to Gateway Generating Station.

Dated: December 1, 2006



Scott A. Galati
Counsel to Pacific Gas and Electric Company

Attachments

Attachment 1 – Bill Of Sale

BILL OF SALE

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mirant Delta, LLC, a Delaware limited liability company, with its principal place of business at 696 West Tenth Street, Pittsburg, California 94565, and Mirant Special Procurement, Inc., a Delaware corporation, with its principal place of business at 1155 Perimeter Center West, Atlanta, Georgia, 30338-5416 (each a "Seller" and together the "Sellers"), hereby sell, transfer, convey, assign and deliver to Pacific Gas and Electric Company, a California corporation, with its principal place of business at 77 Beale Street, San Francisco, California 94105 ("Buyer"), free and clear of all Encumbrances other than Permitted Encumbrances, all of Sellers' right, title and interest in and to the Owned Equipment and the CC8 Records. Capitalized terms used herein but not defined have the meanings ascribed to such terms in that certain Amended and Restated Asset Transfer Agreement dated as of November 22, 2006, by and between the Sellers and Buyer (the "ATA").

Except to the extent otherwise provided in the ATA, Sellers hereby sell, transfer, convey, assign and deliver the Owned Equipment and the CC8 Records "AS-IS, WHERE IS," without any warranty, including as to condition, specification, usefulness, repair, or other characteristics, and SELLERS HEREBY EXPRESSLY DISCLAIM ALL IMPLIED WARRANTIES OF CONDITION, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE.

THIS BILL OF SALE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA APPLICABLE TO CONTRACTS EXECUTED AND PERFORMED IN SUCH STATE, WITHOUT GIVING EFFECT TO CONFLICTS OF LAWS PRINCIPLES.

IN WITNESS WHEREOF, Sellers have executed this Bill of Sale as of this 28 th day
of November, 2006.

MIRANT DELTA, LLC

By: Jeffrey S. Russell
Name: JEFFREY S. RUSSELL
Title: PRESIDENT

MIRANT SPECIAL PROCUREMENT, INC.

By: Jeffrey S. Russell
Name: JEFFREY S. RUSSELL
Title: AUTHORIZED SIGNATORY

[SIGNATURE PAGE TO BILL OF SALE]

Attachment 2 – Improvements Grant Deed

CHICAGO TITLE

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO

PACIFIC GAS AND ELECTRIC COMPANY
5555 FLORIN-PERKINS ROAD
SACRAMENTO, CA 95826
ATTN: SUPERVISOR OF HYDRO SUPPORT

MAIL TAX STATEMENTS TO:

NAME CAPITAL ACCOUNTING, BILA
STREET P.O. BOX 770000
CITY/STATE SAN FRANCISCO, CA 94177-0001

CERTIFIED TO BE A TRUE COPY
OF DOCUMENT RECORDED 11/29/06
SERIES NO. 2006-0380115-00,
OFFICIAL RECORDS OF _____
Contra Costa County
Chicago Title Company
BY Cynthia Riggs

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

#39108208-1

APN 051-031-014 (ptn)

and 051-031-015 (ptn)

Grant Deed

County Transfer Tax is not due for this transaction. This is a transfer of improvements only. Taxes are subject to the jurisdiction of the State Board of Equalization.

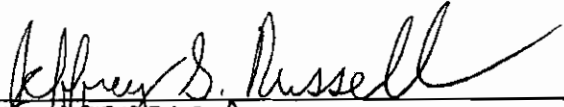
By this instrument, dated as of November 28, 2006, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, MIRANT DELTA, LLC, a Delaware limited liability company ("Grantor"), hereby GRANTS to PACIFIC GAS AND ELECTRIC COMPANY, a California corporation ("Grantee"), all of Grantor's right, title and interest in and to the following (the "Improvements"): all improvements situated on a portion of the real property located in the County of Contra Costa, State of California, as more particularly described in Exhibit A attached hereto (the "Real Property"), which portion is described in Exhibit B (the "CC8 Parcel"), including, the warehouse and concrete pads currently situated thereon, together with all rents, issues or profits thereof, but excluding the following: (a) the natural gas pipeline located on the CC8 Parcel and used as of June 10, 2005 to provide natural gas to the Grantor's electricity generating facility generally known as the Contra Costa Power Plant ("Contra Costa Power Plant"); (b) all wastewater discharge pipes, structures and facilities located on the CC8 Parcel, if any, that are used as of June 10, 2005 in connection with wastewater management and wastewater discharge for the Contra Costa Power Plant; (c) the power pole, emergency sirens, antennas and power and communications lines located on the CC8 Parcel and used as of June 10, 2005 in connection with the emergency response needs of the Contra Costa Power Plant; (d) all identifying signage for the Contra Costa Power Plant located on the CC8 Parcel as of June 10, 2005 and (e) any improvements otherwise comprising the Excluded Assets (as such term is defined in that certain Amended and Restated Asset Transfer Agreement, dated as of November 22, 2006, by and among Grantor, Mirant Special Procurement, Inc. and Grantee).

Grantee hereby acknowledges and agrees that the Improvements are granted "AS-IS, WHERE IS," without any warranty, including as to condition, specification, usefulness, repair, or other characteristics, and GRANTOR HEREBY EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES OF CONDITION, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE.

* * *

This Grant Deed shall be deemed to have been executed as of the date first written above.

GRANTOR:


Name: JEFFREY S. RUSSELL
Title: PRESIDENT
MIRANT DELTA, LLC,
a Delaware Limited Liability Company

ACCEPTANCE:

Grantee, by execution of this Grant Deed, hereby accepts the grant of the Improvements upon the conditions and reservations stated in this Grant Deed.

GRANTEE:

Executed in counterpart
Name:
Title:
PACIFIC GAS AND ELECTRIC COMPANY,
a California corporation

[Signature page to Improvements Grant Deed]

this Grant Deed shall be deemed to have been executed as of the date first written above.

GRANTOR:

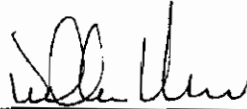
Executed in counterpart

Name:
Title:
MIRANT DELTA, LLC,
a Delaware Limited Liability Company

ACCEPTANCE:

Grantee, by execution of this Grant Deed, hereby accepts the grant of the Improvements upon the conditions and reservations stated in this Grant Deed.

GRANTEE:



Name: WILLIAM MORROW
Title: President and chief operating officer
PACIFIC GAS AND ELECTRIC COMPANY,
a California corporation

[Signature page to Improvements Grant Deed]

STATE OF CALIFORNIA) ss.
COUNTY OF SAN FRANCISCO

On November 20, 2006, before me, GINA FU, ^{Notary Public}, personally appeared JEFFREY S. RUSSELL, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

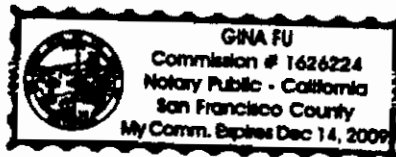
WITNESS my hand and official seal.

Signature _____



My Commission expires:

December 14, 2009



STATE OF CALIFORNIA)
COUNTY OF SAN FRANCISCO) ss.

On November 14, 2006, before me, Julie Brewer, Notary Public, personally appeared William Morrow, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature

My Commission expires:

1/2/07



Attachment 3 – Lease Agreement

EXHIBIT A
TO
DEED

LEGAL DESCRIPTION OF THE REAL PROPERTY

PARCEL "A" OF THAT CERTAIN LOT LINE ADJUSTMENT RECORDED IN DOCUMENT NUMBER 99-0097773-00 OF THE COUNTY RECORDER'S OFFICE OF CONTRA COSTA COUNTY, CALIFORNIA.

PORTION OF SECTION 16, TOWNSHIP 2 NORTH, RANGE 2 EAST, MOUNT DIABLO BASE AND MERIDIAN, IN THE COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS; ALL BEARINGS AND DISTANCES BEING ON CALIFORNIA ZONE 3 COORDINATE SYSTEM.
BEGINNING AT A DISK IN A CONCRETE BASE MARKED P.G. & E. PROPERTY CORNER, BEING AT A POINT THAT BEARS SOUTH 89° 04' 50" EAST 661.00 FEET AND NORTH 00° 47' 10" EAST 42.00 FEET FROM THE CORNER COMMON TO SECTIONS 16, 17, 20, AND 21 OF SAID TOWNSHIP, SAID POINT OF BEGINNING IS IN THE EASTERN BOUNDARY LINE OF PROPERTY DESCRIBED IN THE DECREE QUIETING TITLE, DATED JUNE 30, 1948, IN THE MATTER OF FIBREBOARD PRODUCTS, INC., A CORPORATION, VS. RALPH M. BEEDE, ET AL, CASE NO. 42707, SUPERIOR COURT, CONTRA COSTA COUNTY, CALIFORNIA, A CERTIFIED COPY THEREOF RECORDED JUNE 30, 1948, IN BOOK 1217 OF OFFICIAL RECORDS, PAGE 398, AND RUNNING THENCE FROM SAID POINT OF BEGINNING ALONG SAID BOUNDARY LINE, NORTH 00° 47' 10" EAST 2159.13 FEET TO A POINT IN THE ORDINARY HIGHWATER MARK ALONG THE SOUTHERLY SIDE OF THE SAN JOAQUIN RIVER; THENCE ALONG SAID ORDINARY HIGHWATER MARK NORTH 58° 59' 10" EAST 208.03 FEET; THENCE NORTH 00° 55' 10" EAST 58.05 FEET TO A POINT IN THE ORDINARY LOW TIDE LINE; THENCE ALONG SAID LOW TIDE LINE THE FOLLOWING COURSES, NORTH 68° 13' 10" EAST 693.67 FEET, NORTH 74° 00' 10" EAST 981.16 FEET, AND SOUTH 81° 01' 50" EAST 1011.23 FEET TO POINT THAT BEARS NORTH 00° 50' 30" EAST 2739.03 FEET FROM A DISK IN A CONCRETE BASE THAT MARKS THE SOUTHEAST CORNER OF THE P. G. & E. PROPERTY; THENCE SOUTH 00° 50' 30" WEST 139.86 FEET TO A POINT ON THE ORDINARY HIGH WATER MARK; THENCE CONTINUING ALONG SAID LINE SOUTH 00° 50' 30" WEST 2599.17 FEET TO SAID DISK AT SAID SOUTHEAST CORNER, SAID POINT BEING ALSO IN THE NORTHERN RIGHT OF WAY OF WILBUR AVE.; THENCE ALONG SAID NORTHERN LINE OF WILBUR AVE. NORTH 89° 03' 50" WEST 779.45 FEET AND NORTH 89° 04' 50" WEST 1975.69 FEET TO THE POINT OF BEGINNING.
CONTAINING 168.700 ACRES, MORE OR LESS.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL:
PARCEL "B"

BEGINNING AT A POINT THAT BEARS NORTH 89° 03' 50" WEST 524.11 FEET AND NORTH 00° 47' 10" EAST 756.60 FEET FROM THE SOUTHEAST CORNER OF PARCEL "A" ABOVE; THENCE NORTH 89° 06' 50" WEST 1213.84 FEET; THENCE NORTH 00° 53' 10" EAST 24.94 FEET; THENCE NORTH 89° 06' 50" WEST 446.07 FEET; THENCE NORTH 00° 53' 10" EAST 226.17 FEET; THENCE NORTH 20° 12' 00" WEST 215.78 FEET; THENCE NORTH 89° 06' 50" WEST 37.13 FEET; THENCE NORTH 00° 53' 10" EAST 59.70 FEET; THENCE NORTH 45° 53' 10" EAST 14.62 FEET; THENCE SOUTH 89° 06' 50" EAST 657.72 FEET; THENCE ALONG A TANGENT CURVE TO LEFT WITH A RADIUS OF 180.00 FEET A DISTANCE OF 153.38 FEET TO A POINT OF CUSP; THENCE SOUTH 89° 06' 50" EAST 970.11 FEET; THENCE SOUTH 00° 47' 10" WEST 583.96 FEET TO THE POINT OF BEGINNING.
CONTAINING 21.439 ACRES, MORE OR LESS.

**EXHIBIT B
To
DEED**

DESCRIPTION OF CC8 PARCEL

A PORTION OF PARCEL "A" DESCRIBED AND RECORDED IN DOCUMENT NUMBER 99-0103334 (DOC#99-0103334) IN THE OFFICIAL RECORDS OF CONTRA COSTA COUNTY LOCATED IN THE UN-INCORPORATED AREA OF CONTRA COSTA COUNTY, STATE OF CALIFORNIA, BEING A PORTION OF SECTION 16, TOWNSHIP 2 NORTH, RANGE 2 EAST, MOUNT DIABLO BASE AND MERIDIAN MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT AN ALUMINUM DISK MARKED "PG&E PROPERTY CORNER" SET IN A CONCRETE BASE AT THE SOUTHEAST CORNER OF PARCEL "A" (DOC#99-0103334) AND RUNNING THENCE, ALONG THE NORTH LINE OF WILBUR AVENUE, NORTH, 89° 03' 50" WEST, 464.11 FEET TO A NAIL AND TAG STAMPED "LS 4802"; THENCE, NORTH 00° 47' 10" EAST, 1105.66 FEET TO A POINT OF TANGENCY MARKED BY A 5/8" REBAR AND PLASTIC CAP STAMPED "LS 4802"; THENCE, ALONG A TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 68.00 FEET, A DELTA OF 51° 10' 06" AND AN ARC LENGTH OF 60.73 FEET TO A 5/8" REBAR AND PLASTIC CAP STAMPED "LS 4802"; THENCE NORTH 50° 22' 56" WEST, 44.47 FEET TO A POINT IN THE EAST LINE OF PARCEL "B" DESCRIBED AND RECORDED IN DOCUMENT NUMBER 99-0103334 (DOC#99-0103334) IN THE OFFICIAL RECORDS OF CONTRA COSTA COUNTY, WHICH SAID POINT BEARS NORTH 00° 47' 10" EAST, 429.76 FEET FROM THE SOUTHEAST CORNER OF SAID PARCEL "B" (DOC#99-0103334); THENCE, ALONG THE EAST LINE OF PARCEL "B" (DOC#99-0103334) NORTH 00° 47' 10" EAST, 154.20 FEET TO THE NORTHEAST CORNER OF PARCEL "B" (DOC#99-0103334); THENCE, ALONG THE NORTH LINE OF PARCEL "B" (DOC#99-0103334), NORTH 89° 06' 50" WEST, 163.43 FEET TO A POINT OF CUSP; THENCE LEAVING SAID NORTH LINE ALONG A CURVE TO THE RIGHT HAVING A RADIAL BEARING OF NORTH 69° 27' 14" EAST, A RADIUS OF 620.00 FEET, A DELTA OF 21° 35' 54" AND AN ARC LENGTH OF 233.72 FEET TO A POINT OF TANGENCY MARKED BY A 1" IRON PIPE WITH PLASTIC CAP STAMPED "LS 4802"; THENCE, NORTH 01° 03' 08" EAST, 380.39 FEET TO A 1" IRON PIPE WITH PLASTIC CAP STAMPED "LS 4802"; THENCE, NORTH 48° 26' 32" EAST, 71.79 FEET TO A NAIL AND TAG STAMPED "LS 4802"; THENCE, NORTH 00° 59' 26" EAST, 451.05 FEET TO A NAIL AND TAG STAMPED "LS 4802"; THENCE, SOUTH 87° 09' 11" EAST 197.66 FEET TO A POINT WHICH BEARS SOUTH 87° 09' 11" EAST, 5.00 FEET FROM A NAIL AND TAG STAMPED "LS 4802"; THENCE, NORTH 07° 18' 15" EAST, 97.00 FEET TO A STEEL FENCE POST CORNER; THENCE, SOUTH 81° 45' 55" EAST, 122.77 FEET TO A STEEL FENCE POST CORNER; THENCE, SOUTH 00° 29' 42" WEST, 79.16 FEET TO A STEEL FENCE POST CORNER; THENCE, NORTH 89° 41' 11" EAST, 64.75 FEET TO A STEEL GATE POST; THENCE, NORTH 63° 51' 15" EAST, 21.20 FEET TO A STEEL GATE POST; THENCE, NORTH 12° 04' 06" EAST, 94.19 FEET; THENCE, NORTH 80° 25' 35" EAST, 107.67 FEET; THENCE, NORTH 39° 28' 06" EAST, 220.11 FEET TO A POINT IN THE EAST LINE OF PARCEL "A" (DOC#99-0103334), WHICH SAID POINT BEARS NORTH 00° 50' 30" EAST, 2739.03 FEET FROM AN

ALUMINUM DISK MARKED "PG&E PROPERTY CORNER" SET IN A CONCRETE BASE; THENCE ALONG THE EAST BOUNDARY OF SAID PARCEL "A" (DOC#99-0103334), SOUTH 00° 50' 30" WEST, 2739.03 FEET, RETURNING TO THE POINT OF BEGINNING, THE DESCRIBED PARCEL CONTAINS 33.63 ACRES.

LEASE AGREEMENT

by and between

MIRANT DELTA, LLC

and

PACIFIC GAS AND ELECTRIC COMPANY

dated as of November 28, 2006

TABLE OF CONTENTS

	Page
ARTICLE I. DEFINITIONS AND RULES OF INTERPRETATION.....	1
Section 1.01 Defined Terms.....	1
Section 1.02 Construction of Certain Terms and Phrases.....	6
ARTICLE II. THE PREMISES.....	7
Section 2.01 Lease of the Premises.....	7
Section 2.02 Use of the Premises.....	7
Section 2.03 Delta's Reservation of Rights.....	7
Section 2.04 PG&E Option to Acquire Fee Title.....	10
ARTICLE III. COVENANTS AND AGREEMENTS.....	11
Section 3.01 Taxes.....	11
Section 3.02 Insurance.....	12
Section 3.03 No Warranties by Delta.....	14
Section 3.04 Maintenance.....	14
Section 3.05 Indemnification.....	14
Section 3.06 Interference.....	16
Section 3.07 Liens.....	16
Section 3.08 Assignment.....	17
Section 3.09 Other Obligations.....	17
Section 3.10 Further Assurances.....	17
Section 3.11 Quiet Enjoyment.....	17
Section 3.12 Alterations Required by Law.....	18
Section 3.13 Delta's Performance of Certain of PG&E's Obligations.....	18
ARTICLE IV. DEFAULT; REMEDIES.....	18
Section 4.01 Default Termination Due To Certain Events.....	18
Section 4.02 Remedies.....	19
ARTICLE V. MISCELLANEOUS.....	19
Section 5.01 Entire Agreement.....	19
Section 5.02 Headings.....	19
Section 5.03 Time of Essence.....	19
Section 5.04 No Waiver.....	19

TABLE OF CONTENTS
(continued)

	Page
Section 5.05	Governing Law20
Section 5.06	Estoppel Certificates20
Section 5.07	No Joint Venture20
Section 5.08	Consent20
Section 5.09	Severability20
Section 5.10	Surrender of Premises21
Section 5.11	Recordation21
Section 5.12	Amendment21
Section 5.13	Merger21
Section 5.14	Notices21
Section 5.15	Counterparts22
Section 5.16	Resolution of Conflicts22
Section 5.17	Jurisdiction25
Section 5.18	Mortgage of Leasehold25
Section 5.19	Damage or Destruction28
Section 5.20	Eminent Domain28
Section 5.21	No Personal Liability29
Section 5.22	No Recourse to Affiliates29
Section 5.23	Schedules and Exhibits29
Section 5.24	Construction29
Section 5.25	Representations of Delta30
Section 5.26	Representations of PG&E30

EXHIBITS

- A - LEGAL DESCRIPTION OF THE PREMISES
- B - LEGAL DESCRIPTION OF LESSOR'S ADJACENT LAND
- C - GRANT DEED
- D - MAP OF EASEMENTS

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease") is made and entered into as of November 28, 2006 (the "Execution Date"), by and between Mirant Delta, LLC, a Delaware limited liability company, with its principal place of business at 696 West Tenth Street, Pittsburg, California 94565 ("Delta"), and Pacific Gas and Electric Company, a California corporation, with its principal place of business at 77 Beale Street, San Francisco, California 94105 ("PG&E").

WITNESSETH

WHEREAS, PG&E, Delta and Mirant Procurement have entered into the CC8 Asset Transfer Agreement under which, subject to the terms and conditions contained therein, Delta and Mirant Procurement have agreed to transfer to PG&E the CC8 Assets;

WHEREAS, upon its acquisition of the CC8 Assets and completion of the transactions contemplated in the CC8 Asset Transfer Agreement, PG&E intends to pursue the development, construction and operation of the CC8 Project, which will be located on the Premises;

WHEREAS, it is contemplated in the CC8 Asset Transfer Agreement that the Parties will enter into this Lease to provide for the lease by Delta of the Premises to PG&E until such time as the Premises are transferred to PG&E pursuant to the terms and conditions of the CC8 Asset Transfer Agreement and this Lease; and

WHEREAS, the lease of the Premises to PG&E will be subject to certain easements for the Retained Improvements, retained for the benefit of Delta, as described herein.

AGREEMENT

NOW, THEREFORE, in consideration of the Settlement and the CC8 Asset Transfer Agreement, the premises and the mutual covenants and promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I.

DEFINITIONS AND RULES OF INTERPRETATION

Section 1.01 Defined Terms.

As used in this Lease, the following defined terms have the meanings ascribed to them below:

"Additional Easements" means any additional easements granted or to be granted pursuant to Section 2.03(b).

"AFC Permit" means the decision of the CEC issued in CEC Docket No. 00-AFC-1 on May 30, 2001 approving Delta's Application for Certification of the CC8

Project, as modified by the order issued by the CEC in Docket No.00-AFC-1C on July 19, 2006, and as such decision may be further modified from time to time.

“Affiliate” of any Person means an individual or entity that directly or indirectly controls, is controlled by or is under common control with such Person, whether by ownership of an equity interest or otherwise.

“Agreement Dispute” has the meaning set forth in Section 5.16.

“Antioch Plants” means, collectively, the Contra Costa Power Plant and any new or additional power plants or electricity generating units that may be developed, constructed, owned, used, operated, managed or controlled by Delta on the Lessor’s Adjacent Land, together with all associated appurtenant structures, fixtures, equipment and other personal property interests now or hereafter constructed, owned, operated, managed, controlled or leased by Delta.

“Assumed Liabilities” has the meaning set forth in the CC8 Asset Transfer Agreement.

“ATA Execution Date” means June 10, 2005.

“Business Day” means a day other than Saturday, Sunday or any day on which banks located in San Francisco, California are authorized or obligated to close.

“CAISO” means the California Independent System Operator, a California public benefit corporation, or its successor.

“CC8 Assets” has the meaning set forth in the CC8 Asset Transfer Agreement.

“CC8 Asset Transfer Agreement” means the Amended and Restated Asset Transfer Agreement, dated as of November 22, 2006, by and among Delta, Mirant Procurement and PG&E.

“CC8 Fee Simple Transfer” has the meaning set forth in Section 2.04.

“CC8 Lot Line Adjustment” has the meaning set forth in the CC8 Asset Transfer Agreement.

“CC8 Lot Split” has the meaning set forth in the CC8 Asset Transfer Agreement.

“CC8 Project” means the proposed nominally rated 530 megawatt, natural gas-fired, combined cycle combustion turbine power project generally known as the Contra Costa Unit 8 Power Project, to be located on the Premises, as more particularly described in the AFC Permit, and all appurtenant structures, fixtures, equipment and other personal and real property interests to be constructed, owned, used, operated, maintained or controlled by PG&E as part of such facility, whether completed or at any stage of development.

“CEC” means the California Energy Resources Conservation and Development Commission, also known as the California Energy Commission, or its regulatory successor.

“Commercial Operation Date” means the date on which PG&E, following successful completion of startup testing and commissioning program, declares that the construction of the CC8 Project has been substantially completed, and that the CC8 Project is available for commercial operation (*i.e.*, reliable operation as defined in accordance with the requirements of the CAISO tariffs) and is ready for dispatch.

“Contra Costa Power Plant” means the electricity generating facility in existence as of the Execution Date that is (a) generally known as the Contra Costa Power Plant, (b) located on the Lessor’s Adjacent Land, and (c) owned by Delta, but excluding the CC8 Assets.

“Coordination Agreement” means the Coordination Agreement, dated as of the date hereof, by and between Delta and PG&E.

“Damages” has the meaning set forth in Section 3.05(a).

“Delta” has the meaning set forth in the first paragraph of this Lease.

“Delta Improvements” means, collectively, the Retained Improvements and any improvements that Delta shall construct, install or place on, in or under the Easements after the Execution Date in accordance with the terms and conditions set forth in Section 2.03(g).

“Easements” has the meaning set forth in Section 2.03(a).

“Events of Default” has the meaning set forth in Section 4.01.

“Execution Date” has the meaning set forth in the first paragraph of this Lease.

“Expiration Date” means the ninety-ninth (99th) anniversary of the Execution Date.

“Governmental or Regulatory Authority” means any court, tribunal, arbitrator, authority, agency, body, bureau, commission, department, official or other instrumentality of the United States or any state, county, city or other political subdivision.

“Grant Deed” means the grant deed by Delta in favor of PG&E in the form attached hereto as Exhibit C.

“Improvements” means all fixtures, buildings, structures, improvements and personal property, including the CC8 Project, now or hereafter situated or erected on the Premises or any part thereof and all fixture, machinery, equipment, all building equipment and other property of every kind or nature situated thereon or pertaining thereto or used in connection therewith, except the Delta Improvements.

“Indemnification Claim Notice” has the meaning set forth in Section 3.05(d).

“Indemnified Party” has the meaning set forth in Section 3.05(d).

“Indemnitee” has the meaning set forth in Section 3.05(d).

“Initial Easements” has the meaning set forth in Section 2.03(a).

“Law” means any Federal, state, regional or local law, statute or ordinance, or any law, rule, regulation, order, decision, code, Permit, interpretation, judgment, decree, directive, published guidelines, policy or similar form of pronouncement promulgated by any Governmental or Regulatory Authority having the effect and force of law.

“Lease” has the meaning set forth in the first paragraph of this Lease.

“Leasehold Mortgage” has the meaning set forth in Section 5.18(b).

“Lender” has the meaning set forth in Section 5.18(b).

“Lessor’s Adjacent Land” means the parcel of land owned by Delta on which the Contra Costa Power Plant is situated, as more particularly described in Exhibit B.

“Liability” means any liability (whether known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, or due or to become due).

“Mediation Trigger Date” has the meaning set forth in Section 5.16(a)(ii).

“Mirant Procurement” means Mirant Special Procurement, Inc., a Delaware corporation.

“Party” and/or “Parties” means either or both of Delta and PG&E, as the case may be.

“Permit” means, collectively, any Federal, state, regional or local government or regulatory permit, license, certificate, approval, registration, biological opinion or other authorization issued by any Governmental or Regulatory Authority, including any submitted application that constitutes an authorization, in each case as the same may be modified, amended or updated from time to time.

“Permitted Encumbrances” has the meaning set forth in the CC8 Asset Transfer Agreement.

“Permitted Uses” has the meaning set forth in Section 2.03(a).

“Person” means an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture or other entity that is not a Governmental or Regulatory Authority.

“PG&E” has the meaning set forth in the first paragraph of this Lease.

“Premises” means that certain parcel of land that is located in unincorporated Contra Costa County, California just north of the City of Antioch, as more particularly described in Exhibit A.

"Prime Rate" means, for any day, the "PRIME RATE" reported by the Wall Street Journal as the base rate on corporate loans posted by at least seventy-five percent (75%) of the nation's 30 largest banks for such day, as such "PRIME RATE" may change from time to time. If the Wall Street Journal ceases to publish the "PRIME RATE," then the Parties shall mutually agree on a substitute reference that represents the base rate on corporate loans posted by major banks having one or more lending offices in New York, New York.

"Retained Improvements" means (a) the natural gas pipeline located on the Premises and used as of the ATA Execution Date to provide natural gas to the Contra Costa Power Plant; (b) all wastewater discharge pipes, structures and facilities located on the Premises, if any, that are used as of the ATA Execution Date in connection with wastewater management and wastewater discharge for the Contra Costa Power Plant; (c) the power pole, emergency sirens, antennas and power and communications lines located on the CC8 Real Property and used as of the ATA Execution Date in connection with the emergency response needs of the Contra Costa Power Plant; and (d) all identifying signage for the Contra Costa Power Plant located on the CC8 Real Property as of the ATA Execution Date.

"Retained Liabilities" has the meaning set forth in the CC8 Asset Transfer Agreement.

"Rule Against Perpetuities" means Article 2 (commencing with Section 21205) of Chapter 1 of Part 2 of Division 11 of the California Probate Code, as the same may be amended, modified or supplemented from time to time.

"Settlement" has the meaning set forth in the Settlement Agreement.

"Settlement Agreement" means the Settlement and Release of Claims Agreement dated as of January 13, 2005 among each of the Mirant Parties, the California Parties and OMOI, as such terms are defined in such Settlement and Release of Claims Agreement.

"Taxes" means all real estate taxes, special assessments, water taxes, excises, levies, license and permit fees and similar governmental charges and costs of every kind and nature, general and special, ordinary and extraordinary, foreseen and unforeseen, of any kind or nature whatsoever (including assessments for public and other improvements and general and special state, county and city taxes, including transit taxes, housing taxes, and other benefit taxes and assessments), which at any time or times during the Term, or at any time or times after the Term but with respect to a period or periods or event or events occurring in whole or in part during the Term, may or shall become a lien on or be assessed, levied, confirmed, imposed upon or become due or payable on or with respect to the Premises or any part thereof; provided, however, that the term "Taxes" does not include federal, state or local income or franchise taxes assessed against Delta.

"Term" has the meaning set forth in Section 2.01(b).

"Third Party Claim" has the meaning set forth in Section 3.05(e).

"Transaction Documents" has the meaning set forth in the CC8 Asset Transfer Agreement.

"Transfer Date" means the date upon which the Premises (or relevant portions thereof) are transferred in fee simple to PG&E in accordance with the terms and conditions set forth in Section 2.04.

"Transferred Improvements" means those Improvements which are sold, transferred, conveyed, assigned and delivered to PG&E pursuant to the terms of the Amended and Restated CC8 Asset Transfer Agreement.

Section 1.02 Construction of Certain Terms and Phrases.

Unless the context of this Lease otherwise requires: (a) words of any gender include each other gender; (b) words using the singular or plural number also include the plural or singular number, respectively; (c) the terms "hereof," "herein," "hereby" and derivative or similar words refer to this entire Lease; (d) the terms "Article," "Section" or "Exhibit" refer to the specified Article, Section or Exhibit of this Lease; (e) all references to Articles, Sections or Exhibits shall be to all subparts of such Articles, Sections and Exhibits; (f) the term "or" has, except where otherwise indicated, the inclusive meaning represented by the phrase "and/or;" (g) the term "including" or "includes" means "including without limitation" or "includes without limitation;" (h) reference to any Person includes such Person's successors and assigns but, if applicable, only if such successors and assigns are permitted by this Lease; (i) reference to any agreement (including this Lease), document or instrument means such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (j) reference to any law (including statutes and ordinances) means such law as amended, modified, codified or reenacted, in whole or in part, and in effect from time to time, including rules and regulations promulgated thereunder; and (k) reference to third-party and out-of-pocket costs, fees and expenses shall exclude any payments to Affiliates (other than for reimbursement without mark-up for costs, fees and expenses paid to unaffiliated third-parties by Affiliates). Whenever this Lease refers to a number of days, such number shall refer to calendar days unless Business Days are specified.

ARTICLE II.

THE PREMISES

Section 2.01 Lease of the Premises.

(a) Delta hereby demises and leases unto PG&E, and PG&E hereby takes and hires from Delta, the Premises, for and in consideration of the covenants and agreements, and upon the terms and conditions set forth herein subject to all matters of record and subject to the reservation of rights by Delta set forth in Section 2.03. All Transferred Improvements upon the Premises are concurrently herewith, being transferred to PG&E pursuant to the Amended and Restated CC8 Asset Transfer Agreement and shall be and shall remain the property of PG&E, its successors and assigns, throughout the Term and following any termination or expiration of this Lease, no matter how the same may be attached to the Premises and shall at all times be deemed to be PG&E's personal property. All Retained Improvements located upon the Premises pursuant to Section 2.03 shall be and shall remain the property of Delta, its successors and

assigns, no matter how the same may be attached to the Premises and shall at all times be deemed to be Delta's personal property.

(b) The term of this Lease (the "Term") shall commence on the Execution Date and terminate on the first to occur of (i) the Expiration Date or (ii) the Transfer Date.

(c) Delta hereby acknowledges that PG&E has paid in full, in advance, all rent for the entire Term of this Lease, as part of the consideration of the Settlement Agreement, the receipt and sufficiency of which is hereby acknowledged.

Section 2.02 Use of the Premises.

(a) Subject to its obligations under Section 3.07 hereof, PG&E shall have the right to use the Premises for any lawful purpose, including designing, constructing, developing, interconnecting, operating and maintaining the CC8 Project.

(b) PG&E shall not use the Premises or any portion thereof for any purpose or use that is in violation of any Law or in violation of the rights reserved by Delta under Section 2.03; provided, however, that PG&E shall have the right to contest the applicability to PG&E or the Premises of any Laws.

Section 2.03 Delta's Reservation of Rights.

(a) Subject to the terms, conditions, restrictions and reservations set forth in this Section 2.03, Delta, for itself and its successors and assigns, hereby reserves from the Premises those certain easements appurtenant to the Lessor's Adjacent Land (and any current or future interest of Delta therein) and in, on, along, over, under and across the Premises as more particularly shown on Exhibit D (the "Initial Easements" and, together with any Additional Easements granted pursuant to Section 2.03(b), the "Easements"), which shall be used by Delta only for (a) the operation and maintenance of the Contra Costa Power Plant and any other related activities on Lessor's Adjacent Land, (b) the operation, inspection, replacement, improvement, removal and maintenance of the Delta Improvements and any other related activities, (c) the operation, inspection, replacement, improvement, removal and maintenance of a security gate and related improvements on the access road adjacent to Lessor's Adjacent Land, (d) access to and use of the dock located on the northeastern portion of the Premises for purposes of launching boats and performing environmental monitoring and incident management, in each case in connection with the operation and maintenance of the Contra Costa Power Plant and related facilities, (e) drainage, discharge, retention and percolation of storm runoff from Lessor's Adjacent Land into the existing stormwater system located on the Premises, and the use of existing trench drains, pipelines, inlets, leachfields, valves, oily water separators, and other existing fixtures and equipment located on the Premises that capture, transport and dispose of storm water runoff emanating from the Lessor's Adjacent Land, in each case in the manner occurring or used prior to the Execution Date, and (f) the operation, inspection, replacement, improvement, removal and maintenance of the fire hydrants and underground water pipes used in connection with providing fire protection to the Contra Costa Power Plant and related facilities, and Delta hereby reserves to itself (and its respective agents, contractors and employees) the right to enter onto the Premises for the purpose of conducting the foregoing permitted uses of the

Initial Easements and for the purpose of any Additional Easements specified in an amendment to this Lease (the "Permitted Uses"). The Easements shall continue and be in full force and effect until the earlier to occur of (i) the expiration of the Term, and (ii) such time as Delta or its successors or assigns terminates its interests therein by recording the documentation set forth in Section 2.03(j) hereof. Upon acquisition by PG&E in fee of the Premises in accordance with Section 2.04, Delta shall reserve the Easements hereunder as permanent easements pursuant to the Grant Deed.

(b) If any of the Easements prove inadequate or unsatisfactory in the reasonable determination of Delta in performing the Permitted Uses, Delta may submit a good faith request to PG&E to amend this Lease to grant such Additional Easements as may be reasonably required by Delta. PG&E shall consider such request in good faith; provided, however, that (i) any grant of an Additional Easement shall be subject to the prior approval of the California Public Utilities Commission, (ii) PG&E may withhold its consent to any such reservation in its sole discretion, and (iii) this Section 2.03(b) shall not be construed as requiring PG&E to agree to amend this Lease to grant any Additional Easements or to incur additional expense or Liability beyond that contemplated by the express terms of this Section 2.03.

(c) Each of the Easements: (i) is appurtenant to and benefits each and every portion of the Lessor's Adjacent Land, (ii) burdens those portions of the Premises affected thereby, (iii) runs with the land benefited and burdened, (iv) is enforceable by each owner or lessee of the Lessor's Adjacent Land or any portion thereof against the owners from time to time of the Premises encumbered by the Easements, (v) is non-exclusive and PG&E shall have the right to grant to others easement rights in and to all or any portion of the area covered by the Easements, provided that such additional easement rights shall not interfere with the easement rights reserved herein, and (vi) is reserved until such time as such Easements are terminated in accordance with this Section 2.03.

(d) Except as otherwise expressly provided herein, Delta hereby agrees that it shall use the Easements only for the Permitted Uses and further agrees not to grant any easement or easements on, under or over the Easements without the written consent of PG&E.

(e) Delta shall abide by PG&E's safety and security rules and regulations applicable to Delta's operations on the Easements then in effect and generally applicable to PG&E's employees and invitees, provided that copies of such safety and security rules have been provided to Delta. Delta shall use and occupy the Easements in accordance and compliance with all applicable Laws. Delta shall not generate, bring, place, discharge or release on, in, under, or about any Easement any hazardous substances regulated or listed pursuant to any Law pertaining to the environment, public health or industrial hygiene, except as permitted by Law. Delta shall promptly pay and discharge all claims for labor performed, supplies furnished and services rendered at the request of Delta in connection with the Permitted Uses or otherwise related to the Easements and shall keep the Easements free of or discharge all mechanic's and materialmen's liens in connection therewith.

(f) PG&E shall maintain at its sole cost and expense those portions of the Premises burdened by the Easements in the same manner and condition as it is required to maintain the other portions of the Premises under this Lease; provided, however, that PG&E

shall not be responsible for making any additional improvements to such Easements so as to accommodate their use by Delta; and provided further that the foregoing shall not be construed as prohibiting PG&E from using those portions of the Premises burdened by the Easements in any manner that does not interfere with the rights of Delta under this Section 2.03.

(g) Delta shall not construct, install or place any improvements, structures or fixtures or permanently place personal property on, in or under the Easements not expressly contemplated by the Permitted Uses without the prior written consent of PG&E. Delta shall be responsible for maintaining any and all Delta Improvements. Except as expressly provided herein, in no event shall PG&E be responsible for maintaining any Delta Improvements. Delta shall have the right, at its sole cost, to trim foliage, cut roots in the area of the Easements, and enter upon and, after consultation with PG&E, dig, excavate or bore through or under the Easements as may be reasonable and necessary to perform any of the Permitted Uses. All Delta Improvements shall remain the personal property of Delta whether or not such property shall be permanently affixed to the Premises. Other than damage caused by the negligence or willful misconduct of PG&E or its respective agents, contractors or employees, Delta assumes all risks of damage to any of Delta's Improvements.

(h) PG&E makes no representation, express or implied, as to the suitability of the location, nature or scope of any of the Easements for any particular use, including the Permitted Uses. PG&E shall not be responsible for the provision of utility service to the Easements and PG&E makes no representation, express or implied, as to whether utility service shall be available to the Easements.

(i) The covenants of the Parties made in this Section 2.03 shall be deemed to be covenants running with the land pursuant to applicable Law, including Section 1468 of the California Civil Code, and each Party agrees, as covenantor, that each covenant to do or refrain from doing some act, with respect to the real property described herein or any portion thereof: (i) is for the benefit of the real property of the other Party hereto affected hereby, as the covenantee, (ii) runs with both the real property affected hereby owned by the covenantor and the real property affected hereby owned by the covenantee, and (iii) shall benefit and be enforceable by, in the case of covenantee, and be binding upon, in the case of covenantor, all successive owners of the real property affected hereby and every part thereof and all Persons having any interest therein derived from or through any owner of the property affected thereby during their period of ownership. Upon transfer of fee title to the real property burdened or benefited by the Easements, the transferring owner shall be released from all obligations hereunder accruing to the owner of the transferred property after the date of such transfer.

(j) Notwithstanding Section 2.03(a), any one or more of the Easements may be terminated and extinguished by mutual agreement of the Parties. In the event an Easement is terminated in accordance herewith, Delta shall: (i) execute and deliver a quitclaim deed or termination instrument in form and substance reasonably satisfactory to PG&E, duly executed and acknowledged and in recordable form; (ii) remove any improvements, fixtures or personal property placed or installed on, in or under such Easement in violation of the terms of this Lease and restore such Easement to substantially the same condition as existed prior to Delta's use thereof; and (iii) release PG&E from any and all further obligations or Liabilities with respect to such Easement. Upon termination of all of the Easements, the Parties shall be released and

discharged from any obligations arising or accruing under this Section 2.03 from and after the date of such termination except as otherwise expressly provided in this Section 2.03; provided, however, that the Parties shall not be discharged or relieved from any obligation or Liability for any act or failure to act, or for any amounts payable, which may have accrued under the terms of this Section 2.03 prior to such termination.

(k) Notwithstanding any other provision contained in this Section 2.03, if any property interest granted by this Lease does not vest upon execution and delivery hereof and is subject to the Rule Against Perpetuities, it shall vest, if at all, within the time permitted by the Rule Against Perpetuities, including codifications thereof, currently in force in California.

Section 2.04 PG&E Option to Acquire Fee Title.

As soon as practicable after the CC8 Lot Line Adjustment or the CC8 Lot Split has been approved by the relevant Governmental and Regulatory Authorities and completed, Delta shall notify PG&E in writing. As soon as practicable after the Permitted Encumbrances referenced in subpart (d) of the definition thereof have been removed in accordance with Section 6.06(b) of the CC8 Asset Transfer Agreement, Delta shall notify PG&E in writing. Delta thereafter shall transfer the Premises to PG&E pursuant to the Grand Deed for no additional consideration in accordance with the provisions of this Section 2.04 and the CC8 Asset Transfer Agreement; provided that PG&E may waive the condition regarding removal of the Permitted Encumbrances by providing written notice to Delta, in which case the transfer shall occur as soon as practicable after the CC8 Lot Line Adjustment or the CC8 Lot Split has been approved by the relevant Governmental and Regulatory Authorities and completed. Such transfer of fee simple title to the Premises from Delta to PG&E pursuant to this Section 2.04 ("CC8 Fee Simple Transfer") shall be subject to the Parties' rights and obligations under the CC8 Asset Transfer Agreement, including with respect to disclaimers of representations and warranties, assumption and retention of Assumed Liabilities and Retained Liabilities, and indemnification obligations, in each case as though the CC8 Fee Simple Transfer had occurred under the CC8 Asset Transfer Agreement as of the Closing provided for therein.

ARTICLE III.

COVENANTS AND AGREEMENTS

Section 3.01 Taxes.

(a) PG&E shall pay Taxes imposed, levied against or otherwise attributable to the Premises. To the extent that such Taxes are separately assessed, PG&E shall pay such Taxes directly to the appropriate authority or authorities before any delinquency thereon occurs, and shall deliver evidence of payment thereof to Delta. In the event any Taxes are permitted by Law to be paid in installments, PG&E shall have the option to pay such Taxes in installments. PG&E shall be liable only for those installments imposed, levied against or otherwise attributable to the Premises during the Term. If Taxes are not billed directly to PG&E, Delta shall forward all assessments to PG&E within fifteen (15) Business Days after Delta's receipt thereof, and PG&E shall pay the Taxes prior to delinquency. If any installment of Taxes shall cover any period of time prior to or after the expiration or earlier termination of this Lease, PG&E's obligation for

such installment shall be prorated on the basis of a 365-day year, except for any expiration of the Term on the Transfer Date. Delta acknowledges that PG&E may be required by Law to pay Taxes based on State Board of Equalization assessments to the county. PG&E shall be responsible for submitting any and all necessary forms and documents to the State Board of Equalization. Delta shall cooperate with PG&E and the State Board of Equalization to transfer the assessment process into or out of State Board of Equalization jurisdiction.

(b) PG&E shall have the right, upon prior written notice to Delta, to contest or review the amount, applicability or validity of any Taxes and all assessments or levies of such Taxes by one or more appropriate lawful proceedings, which, if instituted, shall be diligently conducted by PG&E in good faith at its own cost and expense, and free of any expense to Delta (all such expenses of Delta must be paid by PG&E), and, if necessary, in the name of Delta and Delta shall, upon the request of PG&E, execute all documents necessary to accomplish such contest or review. Delta agrees to provide reasonable cooperation to PG&E in connection with such contest or review; provided, however, that PG&E shall pay all reasonable costs and expenses incurred by Delta in providing such cooperation. To the extent that such a contest or review is successful, the benefits of such contest or review shall be apportioned between the Parties based on the Parties' respective proportionate shares of the combined assessments for Taxes set forth in Section 3.01(c), if any, after allowing for the reimbursement of PG&E of all reasonable costs actually incurred by PG&E in connection with such contest or review. If at any time the Premises or any part thereof shall then be immediately subject to forfeiture, or if Delta shall be subject to any criminal liability arising out of the nonpayment of Taxes, PG&E shall, notwithstanding any pending contest or review, either pay such Taxes or post such bonds as the taxing authority may require to prevent such forfeiture or criminal liability.

(c) It is the intention of the Parties that all Taxes upon the Premises and Transferred Improvements be assessed separately from the Delta Improvements and the Lessor's Adjacent Land. If the Taxes are not so separately assessed, the Parties agree to use reasonable efforts to cooperate in obtaining from the relevant taxing authorities separate assessments of the Premises and Transferred Improvements from the Delta Improvements and the Lessor's Adjacent Land. If, despite the exercise of reasonable efforts, such separate assessments are not available, the Parties shall prorate Taxes between them in accordance with Section 6.04(b)(vi) of the Amended and Restated CC8 Asset Transfer Agreement.

Section 3.02 Insurance.

(a) During the Term, each Party shall, at its sole cost and expense, purchase and maintain the following insurance coverages and minimum amounts of insurance written by a company or companies having an A.M. Best rating of A-VII or equivalent:

(i) Commercial General Liability insurance coverage providing coverage of no less than ten million dollars (\$10,000,000) per occurrence and including Comprehensive Form, Premises and Operations, Blanket Written Contractual, Broad Form Property Damage, Explosion, Collapse and Underground Hazard (XCU coverage), Sudden and Accidental Pollution and Personal Injury liability coverages. A cross liability and severability of interest clause shall be included;

(ii) Business Automobile Liability insurance including coverage for the operation of all owned, non-owned and hired vehicles including trailers with minimum limits of liability for bodily injury (including death) and property damage of ten million dollars (\$10,000,000) combined single limit (and with no aggregate limit). Each Party's insurance shall cover occurrences both at and away from the Premises and the Lessor's Adjacent Land; and

(iii) Workers' compensation insurance or its substantial equivalent for PG&E Personnel for statutory obligations imposed by workers' compensation or occupational disease Laws of the U.S. and California, with limits of no less than one million dollars (\$1,000,000) per accident.

(b) Notwithstanding the foregoing, PG&E may elect to self-insure for any required insurance, in which event PG&E shall (i) be liable for the full equivalent of insurance coverage that would have been available if the applicable insurance policies had been obtained from a third party insurer up to the maximum amount of such insurance policy required pursuant to Section 3.02(a), (ii) pay all amounts that would have been payable by the third party insurer up to the maximum amount of such insurance policy required pursuant to Section 3.02(a) and (iii) act with the same promptness and subject to the same standards of good faith as would apply to a third party insurer. If and when PG&E no longer self-insures any required insurance coverage in accordance with this Lease, except with respect to Worker's Compensation and commercial general liability insurance, PG&E shall name Delta as an additional insured under required coverages as described above. The limit on PG&E's liability specified in the foregoing clauses (i) and (ii) to the maximum amount of such insurance policy required pursuant to Section 3.02(a) shall not limit, modify or otherwise affect the indemnification provisions of Section 3.05 or the indemnification provisions contained in any other Transaction Document.

(c) The policies maintained by each Party in accordance with this Lease shall be of the type carried by such Party on other similar properties insured by such Party. No Party shall discriminate against the CC8 Power Plant or any Antioch Plant in providing such insurance.

(d) On the Execution Date, each Party shall furnish to the other Party a certificate of insurance from its insurance carrier(s) showing that the above required insurance and endorsements are in full force and effect, the amount of the carrier's liability thereunder, and further providing that the insurance shall not be cancelled unless at least thirty (30) days' prior written notice has been given to the other Party. The previous sentence shall not apply to any policies that Grantee self-insures; provided that PG&E shall have provided written notice to Delta specifying which policies PG&E has elected to self-insure. Upon expiration of any required policy, each Party shall send renewal certificates to the other Party verifying continued compliance with such Party's obligations under this Section 3.02. No such cancellation, modification or change shall affect any Party's obligation to maintain the insurance coverages required by this Lease. All certificates of insurance shall be in form and content reasonably acceptable to the other Party.

(e) The obligation of each Party to provide the insurance hereinabove specified shall not limit in any way such Party's Liability or obligations under this Lease. Neither Party shall violate or knowingly permit any violation of any conditions or terms of the policies of insurance required by this Lease.

(f) Each Party shall bear all cost for payment of any and all premiums (whether payable at inception or retroactive), deductibles or self-insured retentions under its policies and shall remain solely and fully liable for the full amount of any claim or item in accordance with and subject to the limitations set forth in Section 3.05. Each Party's deductible shall encompass the costs of defense, including court costs and reasonable attorney's fees.

(g) Unless prohibited by Law, each Party's insurers shall, and, in the case of self-insurance by a Party, such Party shall, waive any right of recovery, under subrogation or otherwise, against the other Party, its Affiliates and its employees for first party property claims in all applicable policies maintained or self-insured in accordance with this Section 3.02.

Section 3.03 No Warranties by Delta.

Except as expressly set forth in the Amended and Restated CC8 Asset Transfer Agreement, PG&E acknowledges that it has conducted its own due diligence with respect to the condition of title to the Premises and the Improvements, as well as the physical condition of the Premises and the Improvements, and that PG&E is leasing the Premises "AS IS." Except as expressly set forth in the Amended and Restated CC8 Asset Transfer Agreement, Delta makes no warranty of any kind or nature, express, implied, or otherwise, or any representations or covenants of any kind or nature in connection with the title to or condition of the Premises or any part thereof or any Improvements, and Delta shall not be liable for any latent or patent defects therein or be obligated in any way whatsoever to correct or repair any such latent or patent defects.

Section 3.04 Maintenance.

Delta shall have no obligation to make any repairs, replacements, restorations, alterations, additions or improvements whatsoever unto or about the Premises or any part thereof, or to maintain in any manner the Premises or the Improvements thereon, except with regard to any Delta Improvements and Delta's obligations with respect to the Easements as set forth in Section 2.03.

Section 3.05 Indemnification.

(a) By Delta. Delta shall indemnify, reimburse, defend and hold harmless PG&E and its Affiliates, and their respective officers, directors, employees, agents, successors and assigns, from and against any and all costs, losses, Liabilities, damages, lawsuits, deficiencies, claims and expenses (including reasonable fees and disbursements of attorneys) (collectively, the "Damages"), incurred in connection with, arising out of, resulting from or incident to (i) Delta's gross negligence or willful misconduct in performing or failing to perform its obligations under this Lease other than any of its obligations under Section 2.03; (ii) the material inaccuracy or breach of any representation or warranty made by Delta in this Lease during the Term; (iii) any injury to any Person or Persons or any damage to any property occasioned in any way as a result of Delta's or its employees', agents' or contractors' use of the Easements; or (iv) Delta's or its employees', agents' or contractors' use of the Easements, including Delta's breach of its obligations under Section 2.03.

(b) By PG&E. PG&E shall indemnify, defend and hold harmless Delta and its Affiliates, and their respective officers, directors, employees, agents, successors and assigns, from and against any and all Damages incurred in connection with, arising out of, resulting from or incident to (i) PG&E's gross negligence or willful misconduct in performing or failing to perform its obligations under this Lease; (ii) the material inaccuracy or breach of any representation or warranty made by PG&E in this Lease during the Term; and (iii) any contest of any Law in accordance with Section 2.02(b) that may have a material adverse effect upon Delta or Lessor's Adjacent Land or any contest or review of any Taxes in accordance with Section 3.01(b).

(c) No Consequential Liability. **THE INDEMNIFICATION OBLIGATIONS OF THE PARTIES HEREUNDER SHALL NOT EXTEND TO INDIRECT, CONSEQUENTIAL, SPECIAL, EXEMPLARY, PUNITIVE OR SIMILAR DAMAGES, INCLUDING BUSINESS INTERRUPTION, LOST PROFITS, LOST PRODUCTION AT ANY GENERATING UNIT OR REPLACEMENT POWER COSTS, EXCEPT TO THE EXTENT PAYABLE PURSUANT TO A THIRD PARTY CLAIM.**

(d) Procedures. The Party claiming indemnification hereunder (the "Indemnified Party") shall give the indemnifying Party written notice (an "Indemnification Claim Notice") within thirty (30) days of incurring any Damages or discovery of fact upon which such Indemnified Party intends to base a request for indemnification hereunder; provided, however, that the failure to give notice shall not result in a loss of rights or payment of Damages unless and to the extent that the failure to give notice shall result in higher costs to the Indemnifying Party or shall prejudice the rights of the Indemnifying Party. Each Indemnification Claim Notice must contain a description of the claim and the nature and amount of such Damages. The Indemnified Party shall furnish promptly to the indemnifying Party copies of all papers and official documents received in respect of any Damages. All indemnification claims in respect of a Party, its Affiliates or their respective directors, officers, employees and agents (collectively, the "Indemnitees" and each an "Indemnitee") shall be made solely by such Party.

(e) Third Party Claims. If an Indemnified Party becomes aware of any matter it believes is indemnifiable hereunder involving any Damages claimed against the Indemnified Party by any third party (a "Third Party Claim"), the Indemnified Party shall give the indemnifying Party prompt written notice of such Third Party Claim. Such notice shall: (i) provide the basis on which indemnification is being asserted and (ii) be accompanied by copies of all relevant pleadings, demands and other papers related to the Third Party Claim and in the possession of the Indemnified Party. The indemnifying Party shall have a period of fifteen (15) Business Days after delivery of such notice to respond. If the indemnifying Party elects to defend the Third Party Claim, the indemnifying Party shall be obligated to diligently defend the Third Party Claim, at its own expense, and by counsel reasonably satisfactory to the Indemnified Party. The Indemnified Party shall cooperate reasonably, at the expense of the indemnifying Party, with the indemnifying Party and its counsel in the defense, and the Indemnified Party shall have the right to participate fully, at its own expense, in the defense of such Third Party Claim. Any settlement of a Third Party Claim defended by the indemnifying Party shall require the prior written consent of the Indemnified Party, such consent not to be unreasonably withheld or delayed. If the indemnifying Party fails to respond or responds within the required fifteen (15) Business Day period and declines or otherwise refuses to defend such Third Party Claim, the

Indemnified Party shall be free, without prejudice to any of the Indemnified Party's rights hereunder, to compromise, settle or defend (and control the defense of) such Third Party Claim. In such case, the indemnifying Party shall cooperate reasonably, at its own expense, with the Indemnified Party and its counsel in the defense against such Third Party Claim, and the indemnifying Party shall have the right to participate fully, at its own expense, in the defense of such Third Party Claim.

(f) Contribution. In the case of any Damages attributable to both Parties for which there would otherwise be indemnification under this Section 3.05, the Parties shall contribute with respect to such Damages in proportion to their respective degrees of fault.

(g) Survival. The provisions of this Section 3.05 shall survive the termination or expiration of this Lease.

(h) Remedies Exclusive. The remedies set forth in this Section 3.05, Section 3.02 and Section 4.02 shall be exclusive and in lieu of any other remedies that may be available to the Indemnitees pursuant to any statutory or common law with respect to any Damages of any kind or nature incurred directly or indirectly resulting from or arising out of any breach of this Lease (including alleged breaches or inaccuracies of any representation, warranty or covenant or for any alleged misrepresentation but excluding any claims for actual fraud) or the transactions contemplated hereby; provided, however, that, except as provided in Section 4.02, either Party may seek appropriate equitable relief in a court of proper jurisdiction. Nothing herein is intended to, nor shall be construed to, affect, have an interpretative effect on, modify or terminate any other contract between any Party or its Affiliates or any rights or obligations under any such contracts.

Section 3.06 Interference.

PG&E shall have no claim against Delta for any damage, nor shall PG&E (except as otherwise expressly provided herein) be released from any of the terms, covenants or provisions of this Lease should PG&E's possession of the Premises or any part thereof be disturbed or interfered with or affected in any manner by reason of the acts or omissions of any Person, or by reason of the enactment or adoption of any Law or by reason of any other act of any Governmental or Regulatory Authority; provided, however, that the foregoing shall not limit Delta's liability for Delta's wrongful interference with the rights of PG&E under this Lease or the breach by Delta of any of its obligations hereunder.

Section 3.07 Liens.

PG&E shall keep Delta's fee interest in the Premises free and clear of any and all mechanics', materialman's and other liens for or arising out of or in connection with work or labor done, services performed or materials or appliances used or furnished for or in connection with any operations of PG&E, its agents, subsidiaries or assigns, or any alteration, improvements or repairs or additions which PG&E may make or permit or cause to be made or any work or construction by, for or permitted by PG&E on or about the Premises, other than as specified in Section 2.03, and free and clear of any and all liens, attachments and executions or any obligations of any kind incurred by PG&E. At all times, PG&E shall promptly and fully pay and

discharge any and all obligations and all claims on which such lien may or could be based and shall indemnify, defend and hold Delta, its successors and assigns and all of the Premises harmless from and against any and all such liens, claims or suits pertaining thereto. In the event PG&E desires to contest the amount of such liens or claims, PG&E may do so, so long as such contest does not present imminent danger of foreclosure of Delta's fee interest in the Premises. If at any time Delta's fee interest in the Premises or any part thereof shall then be subject to forfeiture, or if Delta shall be subject to any Liability arising out of the nonpayment of any such liens or claims, PG&E shall, notwithstanding any pending contest or review, either pay such liens or claims or post such bonds as may be required to prevent such forfeiture or liability, at least thirty (30) days prior to such forfeiture.

Section 3.08 Assignment.

PG&E may at any time and from time to time assign all or any part of its interest in this Lease; provided that (a) any assignment shall be in writing and duly executed by PG&E and the assignee, (b) any assignment shall provide that the assignee assumes and agrees to carry out and perform all of the terms, covenants, and conditions of this Lease on the part of PG&E to be carried out and performed, and (c) an executed original of such assignment shall be delivered to Delta. Upon the assignment of PG&E's entire interest in the Lease, PG&E shall be released and discharged from all Liability under this Lease occurring after the date of the assignment. This Lease is binding upon, inures to the benefit of and is enforceable by the Parties and their respective successors and assigns.

Section 3.09 Other Obligations.

In addition to the other obligations under this Lease, PG&E at all times during the Term shall be bound by and shall fully comply with all covenants, conditions, restrictions, limitations or requirements created or imposed by or otherwise arising from matters of record title encumbering the Premises. Without limitation on the generality of the foregoing, in the event this Lease and any such covenants, conditions, restrictions, limitations or requirements both include specific provisions relating to the same matter, then PG&E shall comply with both unless such provisions are in conflict and accordingly compliance with both is impossible, in which event it shall comply with whichever standard is higher to the extent of the conflict.

Section 3.10 Further Assurances.

The Parties will, whenever and as often as it shall be reasonably requested so to do by the other, execute, acknowledge and deliver, or cause to be executed, acknowledged or delivered any and all such further confirmation, instruments of further assurance, and any and all such further instruments and documents, including estoppel certificates, as may be reasonably necessary, expedient or proper, in order to evidence or complete any and all transactions or to accomplish any and all matters and things provided in this Lease, provided such instruments and documents are not inconsistent with the terms of this Lease.

Section 3.11 Quiet Enjoyment.

(a) Upon PG&E observing and performing all of the covenants, conditions and provisions on PG&E's part to be observed and performed hereunder, PG&E shall peaceably

hold and quietly enjoy the Premises for the entire Term, without hindrance, interference, interruption or encumbrance by Delta or any Persons claiming through or under Delta.

(b) PG&E's ground leasehold interest in the Premises shall not be subordinate to any liens, encumbrances, or other title exceptions arising after the date hereof with respect to Delta's interest in the Premises and the improvements. This is not a covenant of Delta.

Section 3.12 Alterations Required by Law.

Except as provided in Section 2.03(e) or Section 2.03(g), if any alterations, additions, improvements, repairs or removals shall be required on or to the Premises or any part thereof by Law, the same shall be performed by and the costs thereof borne by PG&E.

Section 3.13 Delta's Performance of Certain of PG&E's Obligations.

In the event that PG&E shall fail to do or perform its obligations in Section 3.01 or Section 3.07, which failure shall have a material adverse effect upon Delta, the Premises or Lessor's Adjacent Land, Delta may, upon thirty (30) days written notice, at its option and without being under any obligation to do so, and without waiving any right it may have against PG&E by reason of PG&E's failure as aforesaid, do or perform the same and thereupon the amount of all reasonable expenses and disbursements incurred or paid by Delta in doing or performing the same, together with interest as hereinafter provided from the time the expenses or disbursements were paid by Delta, shall become due and owing and payable from PG&E to Delta. If, pursuant to the foregoing right of Delta, Delta performs, acquires or satisfies any lien, encumbrance or obligation of PG&E, Delta shall thereupon be subrogated to all rights of the obligee against PG&E or the Premises or both, and no merger shall be construed with would defeat such subrogation. All sums payable by PG&E to Delta under the terms hereof shall bear interest at a rate of interest equal to the lesser of (a) the Prime Rate or (b) the maximum rate permitted by Law from the date such sum becomes payable until actually paid.

ARTICLE IV.

DEFAULT; REMEDIES

Section 4.01 Default Termination Due To Certain Events.

The occurrence of any one of the following events shall constitute an "Event of Default" by PG&E under this Lease:

(a) PG&E fails to pay any monetary amounts owed hereunder when due and such failure shall continue for a period of thirty (30) days after written notice thereof from Delta to PG&E; or

(b) PG&E fails to comply with any term, provision or covenant of this Lease not involving the payment of money, and does not cure such failure within sixty (60) days after written notice thereof by Delta to PG&E or, if such failure is not reasonably susceptible of cure within such 60-day period, PG&E does not commence to cure such failure within such 60-day

period or thereafter does not diligently prosecute such cure to completion within a reasonable period of time.

Section 4.02 Remedies.

(a) Upon the occurrence of any Event of Default by PG&E, and during the continuance of such Event of Default, Delta shall have the right, as its sole and exclusive remedy, to bring suit for its actual compensatory damages arising as a result of such Event of Default. Delta shall have no right to, and hereby waives any claim for, any consequential damages, punitive damages, exemplary damages, and shall have no right to specific performance or to terminate PG&E's leasehold estate or right to possession of the Premises hereunder.

(b) The foregoing rights and remedies and all other rights and remedies of Delta under this Lease are in addition to, and shall not be construed as a limitation on, Delta's rights and remedies under the Amended and Restated CC8 Asset Transfer Agreement.

ARTICLE V.

MISCELLANEOUS

Section 5.01 Entire Agreement.

This Lease contains the entire agreement between the Parties respecting the matters herein set forth and supersedes all prior agreements between the Parties hereto respecting such matters; provided, however, that this Lease shall not be construed as limiting or otherwise modifying the rights of the Parties under the Amended and Restated CC8 Asset Transfer Agreement.

Section 5.02 Headings.

The paragraph headings herein contained are for purposes of identification only and shall not be considered in construing this Lease.

Section 5.03 Time of Essence.

Time is of the essence with respect to all matters provided in this Lease.

Section 5.04 No Waiver.

No waiver by either Party of any default shall be implied or inferred and no written waiver thereof shall constitute a waiver of any other default, whether of the same or of any other nature or type and whether preceding, concurrent or succeeding; and no failure on the part of either Party to exercise any right it may have by the terms hereof or by Law upon any default, and no delay in the exercise of such right, shall prevent the exercise thereof by such Party at any time when the other Party shall continue to be so in default and no such failure or delay and no waiver of such default shall operate as a waiver of any other default, or as a modification in any respect of the provisions of this Lease. The subsequent acceptance of any payment or performance pursuant to this Lease shall not constitute a waiver of any previous

default or of any previous event, circumstance or condition, other than the default in the payment of the particular payment or the performance of the particular matter so accepted, regardless of the non-defaulting Party's knowledge of the previous default or the previous event, circumstance or condition, at the time of accepting such payment or performance.

Section 5.05 Governing Law.

THIS LEASE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA APPLICABLE TO CONTRACTS EXECUTED AND PERFORMED IN SUCH STATE, WITHOUT GIVING EFFECT TO CONFLICTS OF LAWS PRINCIPLES.

Section 5.06 Estoppel Certificates.

PG&E or Delta, as the case may be, shall execute, acknowledge and deliver to the other and/or any Lender, promptly upon request, its certificate certifying (a) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect, as modified, and stating the modifications), (b) the dates, if any, to which all rental due hereunder has been paid, (c) whether there are then existing any charges, offsets or defenses against the enforcement by a Party of any agreement, covenant or condition hereof on the part of the other Party to be performed or observed (and, if so, specifying the same), (d) whether there are then existing any defaults by a Party in the performance or observance by such Party of any agreement, covenant or condition hereof on the part of such Party to be performed or observed and whether any notice has been given to such Party of any default which has not been cured (and, if so, specifying the same), and (e) such other matters as may be reasonably requested by the Parties or any Lender, as the case may be. Any such certificate may be relied upon by a prospective purchaser, permitted assignee, mortgagee or trustee of, or beneficiary under a deed of trust encumbering, the Premises or any part thereof.

Section 5.07 No Joint Venture.

Neither this Lease nor anything contained herein shall be deemed to make either Party in any way or for any purpose a partner, joint venturer or associate in any relationship with the other Party other than that of landlord and tenant, nor shall this Lease or any provision thereof be construed to authorize either to act as agent for the other except as expressly provided in this Lease.

Section 5.08 Consent.

The consent or approval by Delta to or of any act by PG&E requiring Delta's consent to approval shall not be deemed to waive or render unnecessary Delta's consent or approval to or of any subsequent similar acts by PG&E. The consent or approval by PG&E to or of any act by Delta requiring PG&E's consent to approval shall not be deemed to waive or render unnecessary PG&E's consent or approval to or of any subsequent similar acts by Delta.

Section 5.09 Severability.

If any provision of this Lease is held to be illegal, invalid or unenforceable under any present or future law, and if the rights or obligations of either Party will not be materially and adversely affected thereby: (a) such provision will be fully severable; (b) this Lease will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof; (c) the remaining provisions of this Lease will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance here from; and (d) in lieu of such illegal, invalid or unenforceable provision, there will be added automatically as a part of this Lease a legal, valid and enforceable provision as similar the terms of such illegal, invalid or unenforceable provision as may be possible and reasonably acceptable to the Parties.

Section 5.10 Surrender of Premises.

No surrender to Delta of this Lease or of the Premises, or any part thereof or of any interest therein, shall be valid or effective unless provided for in this Lease or otherwise agreed to and accepted in writing by Delta and no act by Delta or any representative or agent of Delta, other than such a written acceptance by Delta, shall constitute an acceptance of any such surrender.

Section 5.11 Recordation.

This Lease shall not be placed of record. The Parties shall execute a memorandum of lease in form appropriate for recording setting forth such provisions hereof as either Party may reasonably request except that the provisions relating to Taxes and other charges shall not be disclosed in said short form.

Section 5.12 Amendment.

This Lease cannot be altered, changed, modified or added to, except in writing signed by the Parties.

Section 5.13 Merger.

If both Parties' estates in the Premises become vested in the same owner while the Premises or the estate of Delta or PG&E therein shall be subject to one or more mortgages or deeds of trust, this Lease shall nevertheless not be destroyed by the application of the doctrine of merger except at the election of the mortgagee or beneficiaries under all such mortgages and deeds of trust.

Section 5.14 Notices.

Except as otherwise expressly provided herein, all notices, requests and other communications hereunder must be in writing and will be deemed to have been duly given only if delivered personally against written receipt, by facsimile transmission with answer back confirmation or by nationally recognized overnight courier that maintains records of delivery to the Parties at the following addresses or facsimile numbers:

If to PG&E to:

Pacific Gas and Electric Company
Mail Code N12G
77 Beale Street
San Francisco, California 94105
Facsimile: (415) 973-0585
Attention: Vice President – Energy Procurement

With copies to:

Pacific Gas and Electric Company
Law Department, B30A
77 Beale Street
San Francisco, California 94105
Facsimile: (415) 973-5520
Attention: Chief Counsel Generation and Procurement

If to Delta to:

Mirant Delta, LLC
696 West Tenth Street
Pittsburg, California 94565
Facsimile: (925) 427-3518
Attention: President

With copies to:

Mirant Corporation
1155 Perimeter Center West
Atlanta, Georgia 30338
Facsimile: (678) 579-5001
Attention: General Counsel

All such notices, requests and other communications will (a) if delivered personally to the address as provided in this Section 5.14, be deemed given upon receipt, (b) if delivered by facsimile to the facsimile number as provided in this Section 5.14, be deemed given upon receipt by the sender of the answer back confirmation; and (c) if delivered by overnight courier to the address as provided in this Section 15.02, be deemed given upon receipt. Any Party from time to time may change its address or facsimile number for the purpose of notices to that Party by giving notice specifying such change to the other Party in accordance with the terms of this Section 5.14.

Section 5.15 Counterparts.

This Lease may be executed in any number of counterparts and by facsimile, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

Section 5.16 Resolution of Conflicts.

Resolution of any and all controversies, disputes and claims arising out of, relating to, in connection with or resulting from this Lease (or any transaction contemplated hereby), including as to the interpretation, performance, non-performance, validity, breach or termination of this Lease, whether the claim is based on contract, tort, regulation, rule, statute or constitution and any claims raising questions of law, whether arising before or after termination of this Lease (each an "Agreement Dispute"), shall be exclusively governed by and settled in accordance with the provisions of this Section 5.16. Unless otherwise agreed in writing, the Parties shall continue to perform their obligations under the provisions of this Lease during the course of dispute resolution pursuant to the provisions of this Section 5.16. Notice of an Agreement Dispute shall be provided to the other Party to this Lease, which notice shall state with reasonable specificity the nature of the Agreement Dispute and the facts giving rise to such Agreement Dispute.

(a) Negotiation and Mediation.

(i) Negotiation. The Parties shall make a good faith attempt to resolve any Agreement Dispute through negotiation. Within thirty (30) days after notice of an Agreement Dispute is given by a Party to the other Party, each Party shall select one or more representatives who are the president of Delta (or the person filling the responsibilities and with the authority of the president) and a vice president of PG&E which representatives shall meet and make a good faith attempt to resolve such Agreement Dispute.

(ii) Mediation. If such representatives fail to resolve an Agreement Dispute within thirty (30) days after the first meeting of the representatives or fail to meet within thirty (30) days after the date of the applicable notice of an Agreement Dispute (such date, the "Mediation Trigger Date"), the Parties shall seek resolution of the Agreement Dispute through mediation, with a mediator mutually acceptable to the Parties. The representatives of the Parties selected pursuant to Section 5.16(a)(i) shall be in attendance at the mediation.

(iii) Settlement. If a settlement is mutually agreed upon as a result of the negotiation or mediation, then such settlement shall be recorded in writing, signed by the Parties, and shall be binding on them.

(b) Arbitration.

(i) Selection of Arbitrator. In the event that (A) the Parties fail to mutually agree upon a mediator pursuant to Section 5.16(a)(ii) within thirty (30) days after the Mediation Trigger Date or (B) any Agreement Dispute is not settled by the Parties within sixty (60) days after the Mediation Trigger Date, a Party may initiate arbitration by sending written notice to the other Party requesting arbitration and describing the Agreement Dispute and any proposed remedy. Within ten (10) Business Days after receipt of such notice, the Parties shall select a single arbitrator. If the Parties cannot agree on the selection of an arbitrator within ten (10) Business Days, the arbitrator shall be selected by the American Arbitration Association in accordance with its Commercial Arbitration Rules. The arbitrator selected under those

procedures shall be a lawyer or retired judge with at least ten years' experience arbitrating complex commercial disputes.

(ii) Location. The arbitration shall be conducted in the City and County of San Francisco, California and shall be governed by the Commercial Arbitration Rules of the American Arbitration Association, except as modified herein or as agreed by the Parties in writing.

(iii) Discovery. The Parties shall have the right to conduct discovery in accordance with California Code of Civil Procedure Section 1238.05.

(iv) Hearing and Decision. After giving the Parties due notice of hearing, the arbitrator shall hear the Agreement Dispute submitted for arbitration and shall provide a reasoned, written decision within ninety (90) days after the completion of the hearing or such other date selected by agreement of the Parties. The decision of the arbitrator shall conform to applicable Law. The procedural and substantive law applied in the arbitration shall be the law of the State of California without regard to its conflict of law principles, unless the claims or defenses raise issues of federal Law in which case federal substantive law shall apply to those particular claims or defenses. The arbitrator shall be bound to apply the Law, including the rules of evidence, and shall be empowered to hear and determine dispositive motions, including motions to dismiss and motions for summary judgment. The arbitrator shall have no authority to alter the terms of this Lease. The decision of the arbitrator shall be final and binding upon the Parties, and a Party may petition a court to correct or vacate the decision only upon grounds that an award contained therein was procured by corruption, fraud or other undue means and may not petition a court to correct or vacate the decision for failure of the arbitrator to apply the Law or any other grounds or reasons. Judgment may be entered on the decision in any court of competent jurisdiction upon the application of any affected Party.

(v) Injunctions. The arbitrator shall have the right to issue temporary restraining orders, preliminary injunctions and final injunctions.

(vi) Fees and Costs. The arbitrator may award costs and reasonable attorneys' fees to the prevailing Party. If both Parties prevail in part, such fees may be allocated between the Parties in such amounts as may be determined by the arbitrator based on the relative merits and amounts of each Party's claims.

(c) Specific Performance. Notwithstanding Section 5.16(b) but subject to the limitations set forth in Section 4.02, (i) the Parties agree that irreparable damage may occur in the event that the provisions of this Lease are not performed in all material respects in accordance with their specific terms or are otherwise breached in any material respect; and (ii) a Party shall, therefore, be entitled to seek a temporary restraining order or preliminary injunction from any court of competent jurisdiction to maintain the status quo or otherwise to prevent a material breach of this Lease and to enforce specifically the terms and provisions hereof until an arbitration proceeding can be commenced or an injunction hearing held.

Section 5.17 Jurisdiction.

(a) Except as otherwise limited by applicable Law and subject to the dispute resolution procedures set forth in Section 5.16, each Party irrevocably and unconditionally submits to the exclusive jurisdiction of any California state court or federal court of the United States of America sitting in San Francisco, California, and any appellate court from any thereof, in any Action or Proceeding arising out of or related to this Lease, or for recognition or enforcement of any judgment, and each Party hereby irrevocably and unconditionally agrees that all claims in respect of any such Action or Proceeding may be heard and determined in such California state court or, to the extent permitted by Law, in such federal court. Each Party agrees that a final judgment in any such Action or Proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law.

(b) Each Party hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now have or hereafter have to the laying of venue of any Action or Proceeding arising out of or relating to this Lease in any California state court or federal court sitting in San Francisco, California, as the case may be. Each Party hereby irrevocably waives, to the fullest extent permitted by Law, the defense of an inconvenient forum to the maintenance of such Action or Proceeding in any such court.

(c) Each Party irrevocably consents to service of process in the manner provided for notices in Section 5.14. Nothing in this Lease will affect the right of any Party to serve process in any other manner permitted by Law.

Section 5.18 Mortgage of Leasehold.

(a) Subject to the provisions of this Section 5.18, PG&E shall have the right to encumber the leasehold estate created by this Lease by a mortgage, deed of trust or other security instrument, including an assignment of the rents, issues and profits from the Premises, to secure repayment of any loan, and associated obligations, to PG&E from any Lender. It is expressly understood, acknowledged and agreed by PG&E that Delta's fee interest in the Premises shall not be subject in any way to the lien of any Leasehold Mortgage (as defined in Section 5.18(b) below) or to the obligations created by the Leasehold Mortgage.

(b) As used herein, "Leasehold Mortgage" shall mean any mortgage, deed of trust or other security instrument, including an assignment of the rents, issues and profits from the Premises, which constitutes a lien on the leasehold estate created by this Lease, and "Lender" shall mean the owner and holder of the Leasehold Mortgage.

(c) During the continuance of any Leasehold Mortgage and until such time as the lien of any Leasehold Mortgage has been extinguished:

(i) Delta shall not agree to any mutual termination nor accept any surrender of this Lease, nor shall Delta consent to any amendment or modification of this Lease without the prior written consent of Lender; provided, however, that if Lender has not replied to a notice requesting such consent within thirty (30) days after receipt of such notice, Lender shall be deemed to have given such consent.

(ii) Lender shall have the right, but not the obligation, and without payment of any penalty, to effect any insurance, to pay any Taxes, to make any repairs and improvements, to do any other act or thing required of PG&E hereunder, and to do any act or thing which may be necessary and proper to be done in the performance and observance of the agreements, covenants and conditions hereof. All payments so made and all things so done and performed by Lender shall be as effective to prevent an exercise of remedies by Delta under this Lease as the same would have been if made, done and performed by PG&E instead of by Lender.

(iii) Should any Event of Default under this Lease occur, Lender shall have thirty (30) days after receipt of notice from Delta setting forth the nature of such Event of Default, and, if such Event of Default is such that it cannot reasonably be remedied within such 30-day period or if possession of the Premises may be reasonably necessary to remedy such Event of Default, a reasonable time after the expiration of such thirty (30) day period, within which to remedy such Event of Default, provided that (A) Lender shall have fully cured any Event of Default in the payment of any monetary obligations of PG&E under this Lease within such thirty (30) day period and shall continue to pay currently such monetary obligations as and when the same are due, and (B) Lender shall have initiated within such period the curing of any Event of Default that can be remedied without taking possession of the Premises and is diligently prosecuting such cure, or, in the case of a Event of Default that cannot be cured without taking possession of the Premises, Lender shall have acquired PG&E's leasehold estate created hereby or commenced foreclosure or other appropriate proceedings in the nature thereof within such period, or prior thereto, and is diligently prosecuting any such proceedings.

(iv) Any Event of Default which in the nature thereof cannot be remedied by Lender shall be deemed to be remedied if (A) within sixty (60) days after receiving written notice from Delta setting forth the nature of such Event of Default, or prior thereto, Lender shall have acquired PG&E's leasehold estate created hereby or shall have commenced foreclosure or other appropriate proceedings in the nature thereof to obtain possession of the Premises, (B) Lender shall diligently prosecute any such proceedings to completion, and (C) Lender shall have fully cured any Event of Default in the payment of any monetary obligations of PG&E hereunder which do not require possession of the Premises within such sixty (60) day period and shall thereafter continue to faithfully perform all such monetary obligations which do not require possession of the Premises, and (D) after gaining possession of the Premises, Lender performs all other obligations of PG&E hereunder as and when the same are due.

(v) If Lender is prohibited by any process or injunction issued by any court or by reason of any action by any court having jurisdiction of any bankruptcy or insolvency proceeding involving PG&E from commencing or prosecuting foreclosure or other appropriate proceedings in the nature thereof, the times specified in Section 5.18(c)(iii) and Section 5.18(c)(iv) above for commencing or prosecuting such foreclosure or other proceedings shall be extended for the period of such prohibition; provided that Lender shall have fully cured any Event of Default in the payment of any monetary obligations of PG&E under this Lease and shall continue to pay currently such monetary obligations as and when the same fall due.

(vi) Provided that Delta has been furnished in writing with the name and address of Lender, Delta shall deliver to Lender a duplicate copy of any and all notices

which Delta may from time to time give to PG&E pursuant to the provisions of this Lease, and such copy shall be delivered to Lender simultaneously with the delivery of the same to PG&E. No notice by Delta to PG&E hereunder shall be deemed to have been given unless and until a copy thereof shall have been delivered to Lender as herein set forth.

(vii) Foreclosure of a Leasehold Mortgage, or any sale thereunder, whether by judicial proceedings or by virtue of any power contained in the Leasehold Mortgage, or any conveyance of the leasehold estate created hereby from PG&E to Lender through, or in lieu of, foreclosure or other appropriate proceedings in the nature thereof shall not require the consent of Delta or constitute a breach of any provision of this Lease or an Event of Default, and upon such foreclosure, sale or conveyance Delta shall recognize Lender, or any other foreclosure sale purchaser, as PG&E hereunder. In the event Lender becomes PG&E under this Lease or any new lease obtained pursuant to Section 5.18(c)(viii) below, Lender shall be personally liable for the obligations of PG&E under this Lease or such new lease only for the period of time that Lender remains PG&E thereunder, and Lender's right thereafter to assign this Lease or such new lease shall not be subject to any restriction. In the event Lender subsequently assigns or transfers its interest under this Lease after acquiring the same by foreclosure or deed in lieu of foreclosure or subsequently assigns or transfers its interest under any new lease obtained pursuant to Section 5.18(c)(viii), and in connection with any such assignment or transfer Lender takes back a mortgage or deed of trust encumbering such leasehold interest to secure a portion of the purchase price given to Lender for such assignment or transfer, then such mortgage or deed of trust shall be considered a Leasehold Mortgage as contemplated under this Section 5.18 and Lender shall be entitled to receive the benefit of and enforce the provisions of this Section 5.18 and any other provisions of this Lease intended for the benefit of the holder of a Leasehold Mortgage.

(viii) If this Lease should terminate for any reason, Delta shall, upon written request by Lender given within sixty (60) days after such termination, immediately execute and deliver a new lease of the Premises to Lender, or its nominee, purchaser, assignee or transferee, for the remainder of the term of this Lease with the same agreements, covenants and conditions (except for any requirements which have been fulfilled by PG&E prior to termination) as are contained herein and with priority equal to that hereof; provided, however, that Lender shall promptly cure any Events of Default susceptible to cure by Lender; provided, further, that if more than one Lender requests such new lease, the Lender holding the most senior Leasehold Mortgage shall prevail. Upon execution and delivery of such new lease, Delta, at the expense of the new tenant, shall take such action as shall be necessary to cancel and discharge this Lease and to remove PG&E from the Premises.

(ix) The Parties shall cooperate in including in this Lease by suitable amendment from time to time any provision which may be requested by any proposed Lender, or may otherwise be reasonably necessary, to implement the provisions of this Section 5.18(c); provided, however, that any such amendment shall not in any way affect the term hereby demised nor affect adversely in any other material respect any rights of Delta under this Lease or with respect to its fee interest in the Premises.

Section 5.19 Damage or Destruction.

No loss or damage by fire or other cause resulting in either partial or total destruction of the Premises or any building or improvement on the Premises, shall, operate to terminate this Lease. The Parties hereby waive the provisions of Subsection 4 of Section 1933 of the California Civil Code, as amended from time to time.

Section 5.20 Eminent Domain.

(a) If, during the term of this Lease, the entire Premises shall be taken as a result of the exercise of the right of eminent domain, or if less than the entire Premises shall be taken, but it shall have been agreed, or determined by the dispute resolution procedure set forth in Section 5.16 hereof, that the buildings and improvements on the Premises cannot at a reasonable expense be repaired, restored or replaced to an economically profitable unit, this Lease may at the option of PG&E be terminated on the date of such taking, and the rights of the Parties in and to the award or awards upon any such taking shall be determined as set forth in Section 5.20(c) below. As used in this Section 5.20, the terms "taken" and "taking" shall mean an acquisition and/or damaging, including severance damage, by eminent domain or by inverse condemnation, or by deed or transfer in lieu thereof, or for any public or quasi-public use under any statute or law; and the taking shall be considered to take place as of the earlier of (i) the date actual physical possession is taken by the condemnor; or (ii) the date on which title vests in the condemnor.

(b) If less than the entire Premises shall be taken and it shall have been agreed, or determined by the dispute resolution procedure set forth in Section 5.16, that the buildings and improvements can be repaired, restored, or replaced to an economically profitable unit, this Lease shall not terminate but shall continue in full force and effect for the remainder of the term, subject to the provisions hereof. The rights of the Parties in and to the award or awards upon any such taking shall be determined in accordance with Section 5.20(c) below. PG&E shall restore, repair and replace that portion of the Premises not so taken.

(c) The rights of the Parties in and to any award or awards upon any such taking shall be determined as follows:

(i) Entire taking: In the event of any taking of the nature covered by Section 5.20(a) above, all compensation and damages therefor shall be payable as follows:

(A) Delta shall receive the value of the Retained Improvements;
and

(B) PG&E, subject to the rights of any Lender, shall receive the value of the fee interest which comprises the Premises and the leasehold estate under this Lease and any buildings and improvements on the Premises excepting only the Retained Improvements.

(ii) Partial taking: In the event of any taking of the nature covered by Section 5.20(b) above, all compensation and damages therefor shall be applied first to the restoration, repair and replacement of the Premises by PG&E pursuant to this Section 5.20, and

the remainder thereof shall be divided between the Parties in the manner provided by Section 5.20(c)(i) above.

(d) If the Premises or any portion thereof or any buildings or improvements thereon should be taken for governmental occupancy for a limited period, this Lease shall not terminate and PG&E shall continue to perform and observe all of its obligations hereunder as though such taking had not occurred, except only to the extent that it may be prevented from performing such obligations by reason of such taking. In such event, PG&E shall be entitled to receive the entire amount of any awards, compensation and damages made for such taking, and Delta hereby assigns such awards, compensation and damages to Delta to the extent that the governmental occupancy does not extend beyond the expiration of the term hereof, except if any such limited taking shall be with respect to the Retained Improvements, the awards, compensations and damages relating thereto shall be paid and retained by Delta.

(e) Delta, PG&E and any Lender shall all have the right to participate in any settlement of awards, compensation and damages and may contest any such awards, compensation and damages and prosecute appeals therefrom. Any Lender shall be entitled to notice from both the Parties with regard to any condemnation action, threat thereof, or settlement proceedings.

Section 5.21 No Personal Liability.

Each Party acknowledges and agrees that in no event shall any partner, shareholder, owner, officer, director, employee or Affiliate of either Party be personally liable to the other Party for any payments, obligations or performance due under this Lease, or any breach or failure of performance of either Party, and the sole recourse for payment or performance of the obligations hereunder shall be against either Party and each of their respective assets and not against any other Person, except for such liability as expressly assumed by an assignee pursuant to an assignment of this Lease in accordance with the terms hereof.

Section 5.22 No Recourse to Affiliates.

This Lease is solely and exclusively between the Parties and any obligations created herein shall be the sole obligations of the Parties. No Party shall have recourse to any Affiliate of any other Party for performance of such obligations unless the obligations are guaranteed or assumed in writing by the Person against whom recourse is sought.

Section 5.23 Schedules and Exhibits.

The exhibits, schedules and notices specifically referred to herein, and delivered pursuant hereto, are an integral part of this Lease.

Section 5.24 Construction.

The Parties agree that they have been represented by counsel during the negotiation, preparation and execution of this Lease and, therefore, waive the application of any Law, regulation, holding or rule of construction providing that ambiguities in an agreement or other document will be construed against the party drafting such agreement or document.

Section 5.25 Representations of Delta.

Delta represents and warrants to PG&E as of the Execution Date as follows:

(a) Delta is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware, and has all requisite power and authority to own its assets and carry on its business as currently conducted by it. Delta is duly authorized and qualified to conduct its business in California.

(b) Delta has all necessary corporate or other power and authority and has taken all actions necessary to enter into this Lease, to carry out the transactions contemplated hereby, and to authorize the execution and delivery of this Lease and the consummation of the transactions contemplated hereby. This Lease has been duly and validly executed and delivered by Delta and, when executed and delivered by PG&E, will constitute a legal, valid and binding obligation of Delta enforceable against it in accordance with its terms except as limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, and (ii) laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

(c) The execution and delivery by Delta of this Lease, the performance by it of its obligations under this Lease, and the consummation of the transactions contemplated hereby do not and shall not:

(i) conflict with or result in a violation or breach of any of the terms, conditions or provisions of Delta's Limited Liability Company Agreement;

(ii) conflict with or result in a violation or breach of any term or provision of any Law or Permit applicable to Delta, any Antioch Plant or the Premises; or

(iii) conflict with or result in a breach or default (or an event which, with notice or lapse of time or both, would constitute a breach or default) under, or result in the termination or cancellation of, or accelerate the performance required by, or result in the creation or imposition of any encumbrance upon any contract or lease to which Delta is a party or by which Delta is bound and which could have a material adverse effect on Delta's ability to perform its obligations under this Lease.

Section 5.26 Representations of PG&E.

PG&E represents and warrants to Delta as of the Execution Date as follows:

(a) PG&E is a corporation duly organized, validly existing and in good standing under the laws of the State of California and has all requisite corporate power and authority to own its assets and carry on its business as currently conducted by it.

(b) PG&E has all necessary corporate power and authority and has taken all corporate actions necessary to enter into this Lease, to carry out the transactions contemplated hereby, and to authorize the execution and delivery of this Lease by PG&E and the consummation of the transactions contemplated hereby. This Lease has been duly and validly

executed and delivered by PG&E and, when executed and delivered by Delta, will constitute a legal, valid and binding obligation of PG&E enforceable against it in accordance with its terms except as limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, and (ii) laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

(c) The execution and delivery by PG&E of this Lease, and the performance by it of its obligations under this Lease and the consummation of the transactions contemplated hereby do not and shall not:

(i) conflict with or result in a violation or breach of any of the terms, conditions or provisions of PG&E's Articles of Incorporation or Bylaws;

(ii) conflict with or result in a violation or breach of any term or provision of any Law applicable to PG&E; or

(iii) conflict with or result in a breach or default (or an event which, with notice or lapse of time or both, would constitute a breach or default) under, or result in the termination or cancellation of, or accelerate the performance required by, or result in the creation or imposition of any encumbrance upon any contract or lease to which PG&E is a party or by which PG&E is bound and which could have a material adverse effect on PG&E's ability to perform its obligations under this Lease.

IN WITNESS WHEREOF, the Parties have executed this Lease as of the Execution

Date.

MIRANT DELTA, LLC,
a Delaware limited liability company

By: Jeffrey S. Russell
Name: JEFFREY S. RUSSELL
Title: PRESIDENT

PACIFIC GAS AND ELECTRIC COMPANY,
a California corporation

By: _____
Name: _____
Title: _____

[SIGNATURE PAGE TO LEASE AGREEMENT]

Date. IN WITNESS WHEREOF, the Parties have executed this Lease as of the Execution

MIRANT DELTA, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

PACIFIC GAS AND ELECTRIC COMPANY,
a California corporation

By: William Morrow
Name: William Morrow
Title: President and chief operating officer

EXHIBIT A

Legal Description of the Premises

A PORTION OF PARCEL "A" DESCRIBED AND RECORDED IN DOCUMENT NUMBER 99-0103334 (DOC#99-0103334) IN THE OFFICIAL RECORDS OF CONTRA COSTA COUNTY LOCATED IN THE UN-INCORPORATED AREA OF CONTRA COSTA COUNTY, STATE OF CALIFORNIA, BEING A PORTION OF SECTION 16, TOWNSHIP 2 NORTH, RANGE 2 EAST, MOUNT DIABLO BASE AND MERIDIAN MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT AN ALUMINUM DISK MARKED "PG&E PROPERTY CORNER" SET IN A CONCRETE BASE AT THE SOUTHEAST CORNER OF PARCEL "A" (DOC#99-0103334) AND RUNNING THENCE, ALONG THE NORTH LINE OF WILBUR AVENUE, NORTH, 89° 03' 50" WEST, 464.11 FEET TO A NAIL AND TAG STAMPED "LS 4802"; THENCE, NORTH 00° 47' 10" EAST, 1105.66 FEET TO A POINT OF TANGENCY MARKED BY A 5/8" REBAR AND PLASTIC CAP STAMPED "LS 4802"; THENCE, ALONG A TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 68.00 FEET, A DELTA OF 51° 10' 06" AND AN ARC LENGTH OF 60.73 FEET TO A 5/8" REBAR AND PLASTIC CAP STAMPED "LS 4802"; THENCE NORTH 50° 22' 56" WEST, 44.47 FEET TO A POINT IN THE EAST LINE OF PARCEL "B" DESCRIBED AND RECORDED IN DOCUMENT NUMBER 99-0103334 (DOC#99-0103334) IN THE OFFICIAL RECORDS OF CONTRA COSTA COUNTY, WHICH SAID POINT BEARS NORTH 00° 47' 10" EAST, 429.76 FEET FROM THE SOUTHEAST CORNER OF SAID PARCEL "B" (DOC#99-0103334); THENCE, ALONG THE EAST LINE OF PARCEL "B" (DOC#99-0103334) NORTH 00° 47' 10" EAST, 154.20 FEET TO THE NORTHEAST CORNER OF PARCEL "B" (DOC#99-0103334); THENCE, ALONG THE NORTH LINE OF PARCEL "B" (DOC#990103334), NORTH 89° 06' 50" WEST, 163.43 FEET TO A POINT OF CUSP; THENCE LEAVING SAID NORTH LINE ALONG A CURVE TO THE RIGHT HAVING A RADIAL BEARING OF NORTH 69° 27' 14" EAST, A RADIUS OF 620.00 FEET, A DELTA OF 21° 35' 54" AND AN ARC LENGTH OF 233.72 FEET TO A POINT OF TANGENCY MARKED BY A 1" IRON PIPE WITH PLASTIC CAP STAMPED "LS 4802"; THENCE, NORTH 01° 03' 08" EAST, 380.39 FEET TO A 1" IRON PIPE WITH PLASTIC CAP STAMPED "LS 4802"; THENCE, NORTH 48° 26' 32" EAST, 71.79 FEET TO A NAIL AND TAG STAMPED "LS 4802"; THENCE, NORTH 00° 59' 26" EAST, 451.05 FEET TO A NAIL AND TAG STAMPED "LS 4802"; THENCE, SOUTH 87° 09' 11" EAST 197.66 FEET TO A POINT WHICH BEARS SOUTH 87° 09' 11" EAST, 5.00 FEET FROM A NAIL AND TAG STAMPED "LS 4802"; THENCE, NORTH 07° 18' 15" EAST, 97.00 FEET TO A STEEL FENCE POST CORNER; THENCE, SOUTH 81° 45' 55" EAST, 122.77 FEET TO A STEEL FENCE POST CORNER; THENCE, SOUTH 00° 29' 42" WEST, 79.16 FEET TO A STEEL FENCE POST CORNER; THENCE, NORTH 89° 41' 11" EAST, 64.75 FEET TO A STEEL GATE POST; THENCE, NORTH 63° 51' 15" EAST, 21.20 FEET TO A STEEL GATE POST; THENCE, NORTH 12° 04' 06" EAST, 94.19 FEET; THENCE, NORTH 80° 25' 35" EAST, 107.67 FEET; THENCE, NORTH 39° 28' 06" EAST, 220.11 FEET TO A POINT IN THE EAST LINE OF PARCEL "A" (DOC#99-0103334), WHICH SAID POINT BEARS NORTH 00° 50' 30" EAST, 2739.03 FEET FROM AN ALUMINUM DISK MARKED "PG&E PROPERTY CORNER" SET IN A CONCRETE

BASE; THENCE ALONG THE EAST BOUNDARY OF SAID PARCEL "A" (DOC#99-0103334), SOUTH 00° 50' 30" WEST, 2739.03 FEET, RETURNING TO THE POINT OF BEGINNING, THE DESCRIBED PARCEL CONTAINS 33.63 ACRES.

EXHIBIT B

Legal Description of Lessor's Adjacent Land

PARCEL "A"

A PORTION OF PARCEL "A" DESCRIBED AND RECORDED IN DOCUMENT NUMBER 99-0103334 (DOC#99-0103334) IN THE OFFICIAL RECORDS OF CONTRA COSTA COUNTY LOCATED IN THE UN-INCORPORATED AREA OF CONTRA COSTA COUNTY, STATE OF CALIFORNIA, BEING A PORTION OF SECTION 16, TOWNSHIP 2 NORTH, RANGE 2 EAST, MOUNT DIABLO BASE AND MERIDIAN MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A PUNCHED 1" BRASS DISK COMMON TO THE CORNERS OF SECTIONS 16, 17, 20 AND 21 OF SAID TOWNSHIP AND RUNNING THENCE, SOUTH 89° 04' 50" EAST, 661.00 FEET AND NORTH 00° 47' 10" EAST, 42.00 FEET TO AN ALUMINUM DISK MARKED "PG&E PROPERTY CORNER" SET IN A CONCRETE BASE, SAID POINT BEING THE TRUE POINT OF BEGINNING AND IS LOCATED IN THE EASTERN BOUNDARY LINE OF THAT PARCEL OF LAND DESCRIBED AND RECORDED IN BOOK 1217 AT PAGE 398 (1217 OR 398) OF THE OFFICIAL RECORDS OF CONTRA COSTA COUNTY.

THENCE, FROM SAID TRUE POINT OF BEGINNING, ALONG SAID EAST BOUNDARY LINE (1217 OR 398), NORTH 00° 47' 10" EAST, 2159.13 FEET TO A POINT IN THE ORDINARY HIGH WATER MARK ON THE SOUTHERLY SIDE OF THE SAN JOAQUIN RIVER; THENCE, ALONG SAID HIGH WATER MARK, NORTH 58° 59' 10" EAST, 208.03 FEET; THENCE, NORTH 00° 55' 10" EAST, 58.05 FEET TO A POINT IN THE ORDINARY LOW TIDE LINE; THENCE, ALONG SAID LOW TIDE LINE THE FOLLOWING COURSES, NORTH 68° 13' 10" EAST, 693.67 FEET; THENCE, NORTH 74° 00' 10" EAST, 981.16 FEET; THENCE, SOUTH 81° 01' 52" EAST, 1011.22 FEET TO A POINT IN THE EAST LINE OF PARCEL "A" (DOC#99-0103334), WHICH SAID POINT BEARS NORTH 00° 50' 30" EAST, 2739.03 FEET FROM AN ALUMINUM DISK MARKED "PG&E PROPERTY CORNER" SET IN A CONCRETE BASE; THENCE ALONG THE EAST BOUNDARY OF SAID PARCEL "A" (DOC#99-0103334), SOUTH 00° 50' 30" WEST, 2739.03 FEET TO SAID ALUMINUM DISK MARKED "PG&E PROPERTY CORNER" SET IN A CONCRETE BASE AT THE SOUTHEAST CORNER OF PARCEL "A" (DOC#99-0103334) SAID POINT ALSO BEING ON THE NORTHERN RIGHT OF WAY LINE OF WILBUR AVENUE; THENCE, ALONG SAID RIGHT OF WAY, NORTH 89° 03' 50" WEST, 779.45 FEET; THENCE, NORTH 89° 04' 50" WEST, 1975.69 FEET RETURNING TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL "B"

COMMENCING AT AN ALUMINUM DISK MARKED "PG&E PROPERTY CORNER" SET IN A CONCRETE BASE AT THE SOUTHEAST CORNER OF PARCEL "A" (DOC#99-0103334) AND RUNNING THENCE, ALONG THE NORTH RIGHT OF WAY LINE OF

WILBUR AVENUE, NORTH 89° 03' 50" WEST, 524.11 FEET; THENCE, LEAVING SAID RIGHT OF WAY AND RUNNING NORTH 00° 47' 10" EAST, 756.60 FEET TO THE TRUE POINT OF BEGINNING, SAID POINT BEING THE SOUTHEAST CORNER OF PARCEL "B" AS DESCRIBED IN DOCUMENT NUMBER 99-0103334 (DOC#99-0103334) IN THE OFFICIAL RECORDS OF CONTRA COSTA COUNTY; THENCE, ALONG THE BOUNDARY OF SAID PARCEL "B" (DOC#99-0103334) THE FOLLOWING COURSES; NORTH 89° 06' 50" WEST, 1213.84 FEET; NORTH 00° 53' 10" EAST, 24.94 FEET; NORTH 89° 06' 50" WEST, 446.07 FEET ; NORTH 00° 53' 10" EAST, 226.17 FEET; NORTH 20° 12' 00" WEST, 215.78 FEET; NORTH 89° 06' 50" WEST, 37.13 FEET; NORTH 00° 53' 10" EAST, 59.70 FEET; NORTH 45° 53' 10" EAST, 14.62 FEET; SOUTH 89° 06' 50" EAST, 657.72 FEET TO A POINT OF TANGENCY; THENCE ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 180.00 FEET, A DELTA OF 48° 49' 21" AND AN ARC LENGTH OF 153.38 FEET TO A POINT OF CUSP; THENCE, SOUTH 89° 06' 50" EAST, 806.68 FEET TO A POINT OF CUSP; THENCE LEAVING THE NORTH LINE OF PARCEL "B" (DOC#99-0103334) ALONG A CURVE TO THE RIGHT HAVING A RADIAL BEARING OF NORTH 69° 27' 14" EAST, A RADIUS OF 620.00 FEET, A DELTA OF 21° 35' 54" AND AN ARC LENGTH OF 233.72 FEET TO A POINT OF TANGENCY MARKED BY A 1" IRON PIPE WITH PLASTIC CAP STAMPED "LS 4802"; THENCE, NORTH 01° 03' 08" EAST, 380.39 FEET TO A 1" IRON PIPE WITH PLASTIC CAP STAMPED "LS 4802"; THENCE, NORTH 48° 26' 32" EAST, 71.79 FEET TO A NAIL AND TAG STAMPED "LS 4802" ; THENCE, NORTH 00° 59' 26" EAST, 451.05 FEET TO A NAIL AND TAG STAMPED "LS 4802"; THENCE, SOUTH 87° 09' 11" EAST 197.66 FEET TO A POINT WHICH BEARS SOUTH 87° 09' 11" EAST, 5.00 FEET FROM A NAIL AND TAG STAMPED "LS 4802"; THENCE, NORTH 07° 18' 15" EAST, 97.00 FEET TO A STEEL FENCE POST CORNER; THENCE, SOUTH 81° 45' 55" EAST, 122.77 FEET TO A STEEL FENCE POST CORNER; THENCE, SOUTH 00° 29' 42" WEST, 79.16 FEET TO A STEEL FENCE POST CORNER; THENCE, NORTH 89° 41' 11" EAST, 64.75 FEET TO A STEEL GATE POST; THENCE, NORTH 63° 51' 15" EAST, 21.20 FEET TO A STEEL GATE POST; THENCE, NORTH 12° 04' 06" EAST, 94.19 FEET; THENCE, NORTH 80° 25' 35" EAST, 107.67 FEET; THENCE, NORTH 39° 28' 06" EAST, 220.11 FEET TO A POINT IN THE EAST LINE OF PARCEL "A" (DOC#99-0103334), WHICH SAID POINT BEARS NORTH 00° 50' 30" EAST, 2739.03 FEET FROM AN ALUMINUM DISK MARKED "PG&E PROPERTY CORNER" SET IN A CONCRETE BASE; THENCE ALONG THE EAST BOUNDARY OF SAID PARCEL "A" (DOC#99-0103334), SOUTH 00° 50' 30" WEST, 2739.03 FEET TO AN ALUMINUM DISK MARKED "PG&E PROPERTY CORNER" SET IN A CONCRETE BASE AT THE SOUTHEAST CORNER OF PARCEL "A" (DOC#99-0103334), SAID POINT ALSO BEING ON THE NORTHERN RIGHT OF WAY LINE OF WILBUR AVENUE; THENCE, ALONG SAID RIGHT OF WAY, NORTH 89° 03' 50" WEST, 464.11 FEET TO A NAIL AND TAG STAMPED "LS 4802" ; THENCE, NORTH 00° 47' 10" EAST, 1105.66 FEET TO A POINT OF TANGENCY MARKED BY A 5/8" REBAR AND PLASTIC CAP STAMPED "LS 4802"; THENCE, ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 68.00 FEET, A DELTA OF 51° 10' 06" AND AN ARC LENGTH OF 60.73 FEET TO A POINT OF TANGENCY MARKED BY A 5/8" REBAR AND PLASTIC CAP STAMPED "LS 4802"; THENCE NORTH 50° 22' 56" WEST, 44.47 FEET TO A POINT IN THE EAST LINE OF PARCEL "B" (DOC#99-0103334) WHICH BEARS NORTH 00° 47' 10" EAST, 429.76 FEET

FROM THE POINT OF BEGINNING; THENCE, SOUTH 00° 47' 10" WEST, 429.76 FEET
RETURNING TO THE POINT OF BEGINNING.

THE DESCRIBED PARCEL "A", LESS THE EXCEPTION DESCRIBED HEREIN
CONTAINS 113.63 ACRES.

EXHIBIT C

Grant Deed

**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO**

PACIFIC GAS AND ELECTRIC COMPANY
5555 FLORIN-PERKINS ROAD
SACRAMENTO, CA 95826
ATTN: SUPERVISOR OF HYDRO SUPPORT

MAIL TAX STATEMENTS TO:

NAME CAPITOL ACCOUNTING, BIIA
STREET P.O. BOX 770000
CITY/STATE SAN FRANCISCO, CA 94177-0001

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

Grant Deed

* The transfer tax is shown on a separate sheet attached hereto and is not to be made a part of the public record.

By this instrument, dated as of November ____, 2006, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **MIRANT DELTA, LLC**, a Delaware limited liability company ("Grantor"), hereby GRANTS to **PACIFIC GAS AND ELECTRIC COMPANY**, a California corporation ("Grantee"), all of Grantor's right, title and interest in and to the following (the "Improvements"): all improvements situated on a portion of the real property located in the County of Contra Costa, State of California, as more particularly described in Exhibit A attached hereto (the "Real Property"), which portion is described in Exhibit B (the "CC8 Parcel"), including, the warehouse and concrete pads currently situated thereon, together with all rents, issues or profits thereof, but excluding the following: (a) the natural gas pipeline located on the CC8 Parcel and used as of June 10, 2005 to provide natural gas to the Grantor's electricity generating facility generally known as the Contra Costa Power Plant ("Contra Costa Power Plant"); (b) all wastewater discharge pipes, structures and facilities located on the CC8 Parcel, if any, that are used as of June 10, 2005 in connection with wastewater management and wastewater discharge for the Contra Costa Power Plant; (c) the power pole, emergency sirens, antennas and power and communications lines located on the CC8 Parcel and used as of June 10, 2005 in connection with the emergency response needs of the Contra Costa Power Plant; (d) all identifying signage for the Contra Costa Power Plant located on the CC8 Parcel as of June 10, 2005 and (e) any improvements otherwise comprising the Excluded Assets (as such term is defined in that certain Amended and Restated Asset Transfer Agreement, dated as of November 22, 2006, by and among Grantor, Mirant Special Procurement, Inc. and Grantee).

Grantee hereby acknowledges and agrees that the Improvements are granted "AS-IS, WHERE IS," without any warranty, including as to condition, specification, usefulness, repair, or other characteristics, and GRANTOR HEREBY EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES OF CONDITION, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE.

* * *

This Grant Deed shall be deemed to have been executed as of the date first written above.

GRANTOR:

Name:
Title:
MIRANT DELTA, LLC,
a Delaware Limited Liability Company

ACCEPTANCE:

Grantee, by execution of this Grant Deed, hereby accepts the grant of the Improvements upon the conditions and reservations stated in this Grant Deed.

GRANTEE:

Name:
Title:
PACIFIC GAS AND ELECTRIC COMPANY,
a California corporation

STATE OF CALIFORNIA)
COUNTY OF SAN FRANCISCO)

ss.

On _____, 2006, before me, _____, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____

My Commission expires:

STATE OF CALIFORNIA)
COUNTY OF) ss.

On _____, 200____, before me, _____, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____

My Commission expires:

EXHIBIT A
To
DEED

LEGAL DESCRIPTION OF THE REAL PROPERTY

PARCEL "A" OF THAT CERTAIN LOT LINE ADJUSTMENT RECORDED IN DOCUMENT NUMBER 99-0097773-00 OF THE COUNTY RECORDER'S OFFICE OF CONTRA COSTA COUNTY, CALIFORNIA.

PORTION OF SECTION 16, TOWNSHIP 2 NORTH, RANGE 2 EAST, MOUNT DIABLO BASE AND MERIDIAN, IN THE COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS; ALL BEARINGS AND DISTANCES BEING ON CALIFORNIA ZONE 3 COORDINATE SYSTEM.
BEGINNING AT A DISK IN A CONCRETE BASE MARKED P.G. & E. PROPERTY CORNER, BEING AT A POINT THAT BEARS SOUTH 89° 04' 50" EAST 661.00 FEET AND NORTH 00° 47' 10" EAST 42.00 FEET FROM THE CORNER COMMON TO SECTIONS 16, 17, 20, AND 21 OF SAID TOWNSHIP, SAID POINT OF BEGINNING IS IN THE EASTERN BOUNDARY LINE OF PROPERTY DESCRIBED IN THE DECREE QUIETING TITLE, DATED JUNE 30, 1948, IN THE MATTER OF FIBREBOARD PRODUCTS, INC., A CORPORATION, VS. RALPH M. BEEDE, ET AL, CASE NO. 42707, SUPERIOR COURT, CONTRA COSTA COUNTY, CALIFORNIA, A CERTIFIED COPY THEREOF RECORDED JUNE 30, 1948, IN BOOK 1217 OF OFFICIAL RECORDS, PAGE 398, AND RUNNING THENCE FROM SAID POINT OF BEGINNING ALONG SAID BOUNDARY LINE, NORTH 00° 47' 10" EAST 2159.13 FEET TO A POINT IN THE ORDINARY HIGHWATER MARK ALONG THE SOUTHERLY SIDE OF THE SAN JOAQUIN RIVER; THENCE ALONG SAID ORDINARY HIGHWATER MARK NORTH 58° 59' 10" EAST 208.03 FEET; THENCE NORTH 00° 55' 10" EAST 58.05 FEET TO A POINT IN THE ORDINARY LOW TIDE LINE; THENCE ALONG SAID LOW TIDE LINE THE FOLLOWING COURSES, NORTH 68° 13' 10" EAST 693.67 FEET, NORTH 74° 00' 10" EAST 981.16 FEET, AND SOUTH 81° 01' 50" EAST 1011.23 FEET TO POINT THAT BEARS NORTH 00° 50' 30" EAST 2739.03 FEET FROM A DISK IN A CONCRETE BASE THAT MARKS THE SOUTHEAST CORNER OF THE P. G. & E. PROPERTY; THENCE SOUTH 00° 50' 30" WEST 139.86 FEET TO A POINT ON THE ORDINARY HIGH WATER MARK; THENCE CONTINUING ALONG SAID LINE SOUTH 00° 50' 30" WEST 2599.17 FEET TO SAID DISK AT SAID SOUTHEAST CORNER, SAID POINT BEING ALSO IN THE NORTHERN RIGHT OF WAY OF WILBUR AVE.; THENCE ALONG SAID NORTHERN LINE OF WILBUR AVE. NORTH 89° 03' 50" WEST 779.45 FEET AND NORTH 89° 04' 50" WEST 1975.69 FEET TO THE POINT OF BEGINNING.
CONTAINING 168.700 ACRES, MORE OR LESS.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL:

PARCEL "B"

BEGINNING AT A POINT THAT BEARS NORTH 89° 03' 50" WEST 524.11 FEET AND NORTH 00° 47' 10" EAST 756.60 FEET FROM THE SOUTHEAST CORNER OF PARCEL "A" ABOVE; THENCE NORTH 89° 06' 50" WEST 1213.84 FEET; THENCE NORTH 00° 53' 10" EAST 24.94 FEET; THENCE NORTH 89° 06' 50" WEST 446.07 FEET; THENCE NORTH 00° 53' 10" EAST 226.17 FEET; THENCE NORTH 20° 12' 00" WEST 215.78 FEET; THENCE NORTH 89° 06' 50" WEST 37.13 FEET; THENCE NORTH 00° 53' 10" EAST 59.70 FEET; THENCE NORTH 45° 53' 10" EAST 14.62 FEET; THENCE SOUTH 89° 06' 50" EAST 657.72 FEET; THENCE ALONG A TANGENT CURVE TO LEFT WITH A RADIUS OF 180.00 FEET A DISTANCE OF 153.38 FEET TO A POINT OF CUSP; THENCE SOUTH 89° 06' 50" EAST 970.11 FEET; THENCE SOUTH 00° 47' 10" WEST 583.96 FEET TO THE POINT OF BEGINNING.
CONTAINING 21.439 ACRES, MORE OR LESS.

**EXHIBIT B
To
DEED**

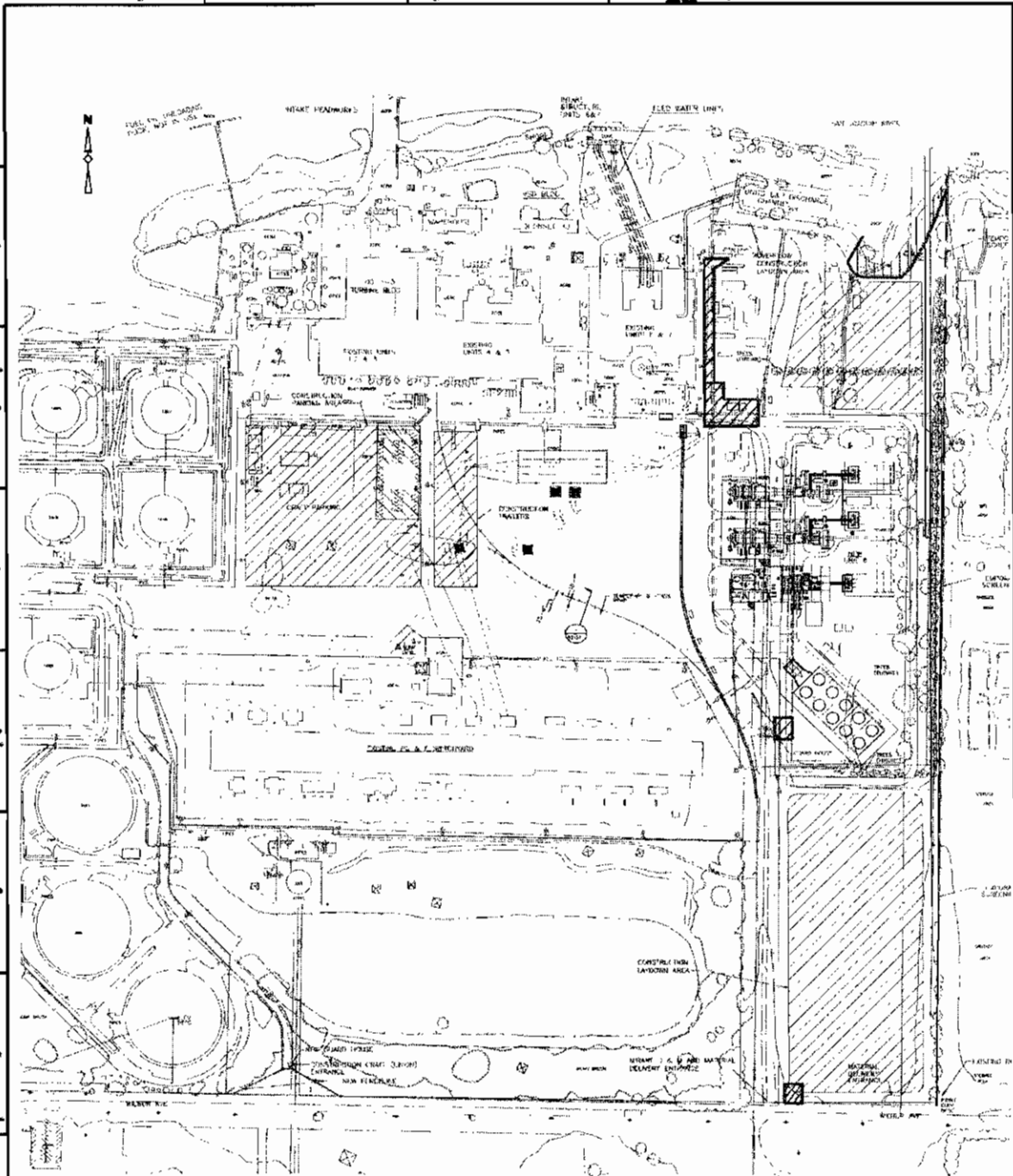
DESCRIPTION OF CC8 PARCEL

A PORTION OF PARCEL "A" DESCRIBED AND RECORDED IN DOCUMENT NUMBER 99-0103334 (DOC#99-0103334) IN THE OFFICIAL RECORDS OF CONTRA COSTA COUNTY LOCATED IN THE UN-INCORPORATED AREA OF CONTRA COSTA COUNTY, STATE OF CALIFORNIA, BEING A PORTION OF SECTION 16, TOWNSHIP 2 NORTH, RANGE 2 EAST, MOUNT DIABLO BASE AND MERIDIAN MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT AN ALUMINUM DISK MARKED "PG&E PROPERTY CORNER" SET IN A CONCRETE BASE AT THE SOUTHEAST CORNER OF PARCEL "A" (DOC#99-0103334) AND RUNNING THENCE, ALONG THE NORTH LINE OF WILBUR AVENUE, NORTH, 89° 03' 50" WEST, 464.11 FEET TO A NAIL AND TAG STAMPED "LS 4802"; THENCE, NORTH 00° 47' 10" EAST, 1105.66 FEET TO A POINT OF TANGENCY MARKED BY A 5/8" REBAR AND PLASTIC CAP STAMPED "LS 4802"; THENCE, ALONG A TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 68.00 FEET, A DELTA OF 51° 10' 06" AND AN ARC LENGTH OF 60.73 FEET TO A 5/8" REBAR AND PLASTIC CAP STAMPED "LS 4802"; THENCE NORTH 50° 22' 56" WEST, 44.47 FEET TO A POINT IN THE EAST LINE OF PARCEL "B" DESCRIBED AND RECORDED IN DOCUMENT NUMBER 99-0103334 (DOC#99-0103334) IN THE OFFICIAL RECORDS OF CONTRA COSTA COUNTY, WHICH SAID POINT BEARS NORTH 00° 47' 10" EAST, 429.76 FEET FROM THE SOUTHEAST CORNER OF SAID PARCEL "B" (DOC#99-0103334); THENCE, ALONG THE EAST LINE OF PARCEL "B" (DOC#99-0103334) NORTH 00° 47' 10" EAST, 154.20 FEET TO THE NORTHEAST CORNER OF PARCEL "B" (DOC#99-0103334); THENCE, ALONG THE NORTH LINE OF PARCEL "B" (DOC#99-0103334), NORTH 89° 06' 50" WEST, 163.43 FEET TO A POINT OF CUSP; THENCE LEAVING SAID NORTH LINE ALONG A CURVE TO THE RIGHT HAVING A RADIAL BEARING OF NORTH 69° 27' 14" EAST, A RADIUS OF 620.00 FEET, A DELTA OF 21° 35' 54" AND AN ARC LENGTH OF 233.72 FEET TO A POINT OF TANGENCY MARKED BY A 1" IRON PIPE WITH PLASTIC CAP STAMPED "LS 4802"; THENCE, NORTH 01° 03' 08" EAST, 380.39 FEET TO A 1" IRON PIPE WITH PLASTIC CAP STAMPED "LS 4802"; THENCE, NORTH 48° 26' 32" EAST, 71.79 FEET TO A NAIL AND TAG STAMPED "LS 4802"; THENCE, NORTH 00° 59' 26" EAST, 451.05 FEET TO A NAIL AND TAG STAMPED "LS 4802"; THENCE, SOUTH 87° 09' 11" EAST 197.66 FEET TO A POINT WHICH BEARS SOUTH 87° 09' 11" EAST, 5.00 FEET FROM A NAIL AND TAG STAMPED "LS 4802"; THENCE, NORTH 07° 18' 15" EAST, 97.00 FEET TO A STEEL FENCE POST CORNER; THENCE, SOUTH 81° 45' 55" EAST, 122.77 FEET TO A STEEL FENCE POST CORNER; THENCE, SOUTH 00° 29' 42" WEST, 79.16 FEET TO A STEEL FENCE POST CORNER; THENCE, NORTH 89° 41' 11" EAST, 64.75 FEET TO A STEEL GATE POST; THENCE, NORTH 63° 51' 15" EAST, 21.20 FEET TO A STEEL GATE POST; THENCE, NORTH 12° 04' 06" EAST, 94.19 FEET; THENCE, NORTH 80° 25' 35" EAST, 107.67 FEET; THENCE, NORTH 39° 28' 06" EAST, 220.11 FEET TO A POINT IN THE EAST LINE OF PARCEL "A" (DOC#99-0103334), WHICH SAID POINT BEARS NORTH 00° 50' 30" EAST, 2739.03 FEET FROM AN

ALUMINUM DISK MARKED "PG&E PROPERTY CORNER" SET IN A CONCRETE BASE; THENCE ALONG THE EAST BOUNDARY OF SAID PARCEL "A" (DOC#99-0103334), SOUTH 00° 50' 30" WEST, 2739.03 FEET, RETURNING TO THE POINT OF BEGINNING, THE DESCRIBED PARCEL CONTAINS 33.63 ACRES.

EXHIBIT D
Map of Easements



LEGEND
 _____ EXEMPTS RESERVED BY DELTA

- NOTES**
- THE EXISTING PLANT STAFF PARKING AREA LOCATED AT THE WEST END OF THE ADMINISTRATION BUILDING IS INTENDED TO BE USED ONLY FOR PLANT PERSONNEL PARKING. DURING CONSTRUCTION, THIS AREA WILL BE OCCUPIED BY MATERIALS AND EQUIPMENT STORAGE. IT IS REQUESTED THAT YOU WORK TO MINIMIZE PERSONNEL, EQUIPMENT, AND MATERIAL MOVEMENTS THROUGH THE PARKING AREA AND WILL COORDINATE THESE MOVEMENTS WITH MWR&T.
 - THE EXISTING MAIN ROAD ACCESS ROAD FROM HIGHWAY 65 IS INTENDED TO BE USED AS A MAIN ACCESS ROAD TO THE PLANT. DURING CONSTRUCTION, THIS ROAD WILL BE OCCUPIED BY MATERIALS AND EQUIPMENT STORAGE. IT IS REQUESTED THAT YOU WORK TO MINIMIZE PERSONNEL, EQUIPMENT, AND MATERIAL MOVEMENTS THROUGH THE EXISTING MAIN ROAD ACCESS ROAD AND WILL COORDINATE THESE MOVEMENTS WITH MWR&T.

NO. 1	NO. 2	NO. 3	NO. 4	NO. 5	NO. 6	NO. 7	NO. 8	NO. 9	NO. 10	NO. 11	NO. 12	NO. 13	NO. 14	NO. 15	NO. 16	NO. 17	NO. 18	NO. 19	NO. 20	NO. 21	NO. 22	NO. 23	NO. 24	NO. 25	NO. 26	NO. 27	NO. 28	NO. 29	NO. 30	
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