

EXHIBIT A
LS POWER'S PROPOSED REVISIONS TO
DESIGNATED ENTITY AGREEMENT

5.0 Coordination and Interconnection Agreement with Transmission Owner(s).

By the date specified in the Development Schedule in Schedule C of this Agreement, Designated Entity shall execute a Coordination and Interconnection Agreement among and between Designated Entity, Transmission Provider, and the Transmission Owner(s) to whose facilities the Project will interconnect, or request that such agreement be filed unexecuted with the Commission. Transmission Provider may not declare Designated Entity to be in Default or otherwise exercise any remedies against Designated Entity under this Agreement for any failure by Designated Entity to satisfy its obligations under this Agreement to the extent such failure is caused by any Transmission Owner's refusal to execute a Coordination and Interconnection Agreement or failure to timely coordinate with Designated Entity pursuant thereto; provided, that Designated Entity and Transmission Provider shall cooperate with each other and exercise Reasonable Efforts to mitigate the impact of any such refusal or failure to perform by the Transmission Owner.

8.0 Termination by Transmission Provider.

In the event that: (i) pursuant to Section 1.5.8(k) of Schedule 6 of the Operating Agreement, Transmission Provider determines to remove the Project from the Regional Transmission Expansion Plan and/or not to retain Designated Entity's status for the Project, (ii) Transmission Provider otherwise determines pursuant to Regional Transmission Expansion Planning Protocol in Schedule 6 of the Operating Agreement that the Project is no longer required to address the specific need for which the Project was included in the Regional Transmission Expansion Plan; or (iii) a Force Majeure or other event outside of the Designated Entity's control that, with the exercise of Reasonable Efforts, Designated Entity cannot alleviate and which ~~prevents the Designated Entity from satisfying its obligations under this Agreement~~has resulted in, or is reasonably expected to result in, the Project failing to achieve full operation by the Required Project In-Service Date, Transmission Provider may terminate this Agreement by providing written notice of termination to Designated Entity, which shall become effective the later of sixty (60) calendar days after the Designated Entity receives such notice or other such date the FERC establishes for the termination. In the event termination pursuant to this Section 8.0 is based on (ii) or (iii) above, Transmission Provider shall not have the right to draw upon the Designated Entity Letter of credit or retain the cash security and shall cancel the Designated Entity Letter of Credit or return the cash security within 30 days of the termination of this Agreement.

11.1 Project Finance Entity Assignments

11.1.1. Assignment to Project Finance Entity

If an arrangement between the Designated Entity and a Project Finance Entity provides that the Project Finance Entity may assume any of the rights, duties and obligations of the Designated Entity under this Agreement ~~or otherwise provides that~~, the Project Finance Entity ~~may cure a Breach of this Agreement by the Designated Entity, the Project Finance Entity~~ (or its designee) may be assigned this Agreement or any of the rights, duties, or obligations hereunder only upon written consent of the Transmission Provider, ~~such consent not to be unreasonably withhold, conditioned or delayed, it being understood that: (a) the assignee must in all cases be eligible to be a Designated Entity for the Project pursuant to Sections 1.5.8(a) and (f) of Schedule 6 of the Operating Agreement and (b) the mere granting of a security interest in favor of a Project Finance Entity in the Designated Entity's right, title and interest in this Agreement shall not constitute an "assignment" for purposes of this Section. A Project Finance Entity shall have the right, but not the obligation, to cure or cause to be cured any Breach of this Agreement by the Designated Entity, and performance by or on behalf of the Project Finance Entity of any obligation of the Designated Entity under this Agreement shall constitute due performance of that obligation; provided, however, that if such cure involves performing work related to the construction, maintenance or operation of the Project, the entity responsible for such work must be an entity that performed similar work for or on behalf of the Designated Entity or (ii) an entity otherwise approved by the Transmission Provider, such approval not to be unreasonably withheld, conditioned or delayed.~~ In no circumstance, shall an assignment of this Agreement or any of the rights, duties, and obligations under this Agreement diminish the rights of the Transmission Provider under this Agreement, the Tariff, or the Operating Agreement.

11.1.2. Assignment By Project Finance Entity

A Project Finance Entity (or approved designee) that has been assigned this Agreement or any of the rights, duties or obligations under this Agreement ~~or otherwise is permitted to cure a Breach of this Agreement~~, as described pursuant to Section 11.1.1 above, may assign this Agreement or any of the rights, duties or obligations under this Agreement to another entity not a Party to this Agreement only: ~~(i) upon the Breach of this Agreement by the Designated Entity, and (ii)~~ with the written consent of the Transmission Provider. In no circumstance, shall an assignment of this Agreement or any of the rights, duties and obligations under this Agreement by a Project Finance Entity alter or diminish the rights of the Transmission Provider under this Agreement, the Tariff, or the Operating Agreement. ~~In no circumstance, shall an assignment of this Agreement or any of the rights, duties, and obligations under this Agreement diminish the rights of the Transmission Provider under this Agreement, the Tariff, or the Operating Agreement.~~ Any assignees that will construct, maintain, or operate the Project shall be subject to, and comply with the Tariff and Operating Agreement.