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**Commonwealth of Puerto Rico**  
Department of Natural and Environmental Resources  
Energy Affairs Administration

Contract No. 2003-132013-C

Amendment No. Three (3)

Date of Registry: 17-09-04

AMENDMENT TO THE GRANT AGREEMENT FOR 1<sup>ST</sup> PHASE  
OF WIND RESOURCE ASSESSMENT EXTENDING TERM OF  
ENFORCEABILITY OF THE AGREEMENT

At the place and on the date further on stated,

APPEARS

**As the First Party:** The PUERTO RICO ENERGY AFFAIRS ADMINISTRATION; hereinafter, "PREAA", an agency of the Central Government of the Commonwealth of Puerto Rico ascribed to the Department of Natural and Environmental Resources; hereinafter, "DNER", with the  
Loc. 049, created by Reorganization Plan No. 1 of December 9, 1993, which was adopted pursuant Act No. 5 of April 6, 1993, and herein represented by the Deputy Secretary of the Department of Natural and Environmental Resources, **Alberto M. Lázaro Castro,**

*Amel*  
*JH*

pursuant to the

authority granted by the pre-cited Reorganization Plan, Act No. 47 of August 21, 1990, as amended, Act No. 128 of June 29, 1977, as amended, Executive Order of June 9, 1982 (Administrative Bulletin No. 4004-A), and the Commonwealth Oil Refining Company, Inc. ("CORCO"), Plan of Distribution of Refunds of February 13, 1984, as amended; *AFTER SAID REPRESENTATIVE OF THE FIRST PARTY HAS RECEIVED SAID AUTHORITY,* by express delegation from the Secretary of Natural and Environmental Resources, the **Hon. Luis E. Rodríguez Rivera,**

and

the Administrator of Energy Affairs, **Javier A. Quintana Méndez,**

**As the Second Party:** The UNIVERSITY OF PUERTO RICO, MAYAGÜEZ CAMPUS; hereinafter, "RUM", a component of the Commonwealth of Puerto Rico's institution of higher learning, with the 1

created by Act No. 1 of January 20, 1966, as amended, and herein represented by its Chancellor, **Jorge Iván Vélez Arocho**,

pursuant to the authority vested on him by the pre-cited statute.

The representatives of the appearing parties represent and affirm that they are empowered and authorized to bind the party they represent herein, by and to the terms and conditions of this covenant, and they freely and voluntarily

STATE

*Am*  
*9/1*  
**WHEREAS:** The PREAA has instituted a three part wind resource assessment project directed at determining wind velocity probabilities at sites whereat wind farms to generate electricity may be established, under the criteria of land availability, road access, available grid connection, zoning regulations and other related indicators rather than the criteria of data gathering convenience due to the existence of towers, existence of data gathering stations and other data gathering facilities.

**WHEREAS:** The first part or phase of said three part project is entitled *Partnership Formation and Prospective Site Identification* and consists of six (6) parts; that is, 1) the creation of a Working Group consisting of the PREAA, RUM and other entities that will develop a plan to implement the wind assessment project in the Commonwealth of Puerto Rico, 2) the identification of prospective wind farm sites in the Commonwealth of Puerto Rico under the aforementioned criteria, 3) the visit of prospective sites in order to select the most

promising ones, 4) the obtaining of the necessary permits, and other necessary authorizations from government entities and land owners towers and wind data collection equipment, 5) the identification of the necessary number and nature of the wind measuring stations required in each selected site, 6) the documentation of the Working Group's efforts in a final report that will contain the prospective sites' topographical layout and one or more maps identifying the prospective sites and their relation to possible electric utility interconnection points, zoning areas, road access, geographical features and other relevant information.

*Am*  
*9/11*  
**WHEREAS:** The PREAA and the RUM signed the *Grant Agreement for the 1<sup>st</sup> Phase of Wind Resource Assessment* of March 14, 2003 (Contract No. 2003-132013, Date of Registry 14-03-03), as amended by Contract No. 2003-132013-A, Registration Date 17-06-03, of June 17, 2003, and Contract No. 2003-132013-B, Registration Date 30-09-03, of September 30, 2003, to carry out the activities described in the preceding paragraph.

**WHEREAS:** The RUM has been unable to complete all the tasks and services described in the aforementioned contract and amendments to the same.

**NOW, THEREFORE,** the PREAA and the RUM mutually agree and covenant to amend the *Grant Agreement for the 1<sup>st</sup> Phase of Wind Resource Assessment* of March 14, 2003 (Contract No. 2003-132013, Date of Registry 14-03-03), as amended, to extend its term of enforceability until **December 31, 2004.**

#### CLAUSES AND AMENDMENTS

**First Clause.-** Delegation of Authority to Represent the PREAA: The representative of the first party, **Alberto M. Lázaro Castro,** of the general circumstances above described, is authorized and empowered to sign this agreement on behalf of the PREAA/DNER and bind said party to the terms and conditions of the same, by and through the

document entitled, in the Spanish of the original, "ORDEN ADMINISTRATIVA NÚM. 2004-07", of March 30, 2004, subscribed by the **Hon. Luis E. Rodríguez Rivera**, Secretary of Natural and Environmental Resources, and **Javier A. Quintana Méndez**, Administrator of Energy Affairs; which "ORDEN ADMINISTRATIVA NÚM. 2004-07", is adopted by reference and made part hereof, and a copy of which is annexed hereto and identified as "Annex I".

**Amendment No. One:** The parties mutually agree to amend clause number 8 of the *Grant Agreement for the 1<sup>st</sup> Phase of Wind Resource Assessment* of March 14, 2003 (Contract No. 2003-132013, Date of Registry 14-03-03), as amended, as further on identified by strikethroughs and bold lettering:

"8. Term of Enforceability: This agreement shall be in force until ~~September 30, 2004~~ **December 31, 2004**, starting from the date that all parties sign said agreement. As soon as possible after the signing of this contract by all parties, the RUM and the PREAA personnel already mentioned will file with Mr. Carlos Maysonet Negrón the *Partnership Formation and Prospective Site Identification Work Plan* and, once it is approved, will carry out all the activities described therein. The parties may agree to extend the existence and operation of this agreement by amending the same in writing, before its expiration date. Any such extension of this agreement's term of enforceability shall be subject to the existence of adequate funds, in the appropriate budget account(s).

The RUM will not initiate any of the activities covered by this grant agreement until all its appearing parties have duly signed the same. Furthermore, the RUM states and covenants that it will not carry out any activities included in this grant agreement after expiration date of this grant agreement, with the sole exception of work begun before that date that is being completed. The PREAA expressly states that it will not make any disbursement of funds pursuant to an expired agreement, with the sole exception of work commenced previous to its expiration date and that is in the process of being completed."

In accordance to the amendments agreed to by the parties, clause number 8 of the *Grant Agreement for the 1<sup>st</sup> Phase of Wind Resource Assessment* of March 14, 2003 (Contract No. 2003-132013, Date of Registry 14-03-03), as amended, shall read as follows:

"8. Term of Enforceability: This agreement shall be in force until December 31, 2004, starting from the date that all parties sign said agreement. As soon as possible after the signing of this contract by all parties, the RUM and the PREAA personnel already mentioned will file with Mr. Carlos Maysonet Negrón the *Partnership Formation and Prospective Site Identification Work Plan* and, once it is approved, will carry out all the activities described therein. The parties may agree to extend the existence and operation of this agreement by amending the same in writing, before its expiration date. Any such extension of this agreement's term of enforceability shall be subject to the existence of adequate funds, in the appropriate budget account(s).

The RUM will not initiate any of the activities covered by this grant agreement until all its appearing parties have duly signed the same. Furthermore, the RUM states and

covenants that it will not carry out any activities included in this grant agreement after expiration date of this grant agreement, with the sole exception of work begun before that date that is being completed. The PREAA expressly states that it will not make any disbursement of funds pursuant to an expired agreement, with the sole exception of work commenced previous to its expiration date and that is in the process of being completed.”

**Amendment No. Two:** The parties mutually agree to amend clause number 12 of the *Grant Agreement for the 1<sup>st</sup> Phase of Wind Resource Assessment* of March 14, 2003 (Contract No. 2003-132013, Date of Registry 14-03-03), as amended, as further on identified by strikethroughs and bold lettering:

“12. Official Representatives of the Parties: The appearing parties expressly agree that their respective official representatives in anything having to do with this agreement will be the following officials:

**Dr. Agustín Irizarry Rivera**

Associate Professor  
Box 5000, UPR-Mayagüez  
Mayagüez, PR 00680

**Mr. ~~Carlos Maysonet Negrón~~ Alberto M. Lázaro Castro**

C/O P.R. Energy Affairs Administration  
Box 9066600, Pta. de Tierra Sta.  
San Juan, PR 00906-6600

Only the abovementioned individuals will have the authority to sign communications between the parties that will have effect on the operation of this grant agreement. Changes in said personnel shall be notified expeditiously in writing to the other party by the party making the change.”

In accordance to the amendments agreed to by the parties, clause number 12 of the *Grant Agreement for the 1<sup>st</sup> Phase of Wind Resource Assessment* of March 14, 2003 (Contract No. 2003-132013, Date of Registry 14-03-03), as amended, shall read as follows:

“12. Official Representatives of the Parties: The appearing parties expressly agree that their respective official representatives in anything having to do with this agreement will be the following officials:

**Dr. Agustín Irizarry Rivera**

Associate Professor  
Box 5000, UPR-Mayagüez  
Mayagüez, PR 00680

**Mr. Alberto M. Lázaro Castro**

C/O P.R. Energy Affairs Administration  
Box 9066600, Pta. de Tierra Sta.  
San Juan, PR 00906-6600

Only the abovementioned individuals will have the authority to sign communications between the parties that will have effect on the operation of this grant agreement. Changes in said personnel shall be notified expeditiously in writing to the other party by the party making the change.”

**Amendment No. Three:** The parties, furthermore, mutually agree to the amendment of any other clause, section, disposition and/or phrase of the *Grant Agreement for the 1<sup>st</sup> Phase of Wind Resource Assessment* of March 14, 2003 (Contract No. 2003-132013, Date of Registry 14-03-03), as amended, and which is not mentioned in this document, to


eliminate any conflict that may exist and/or arise between the same and the amendments contained herein.

ACCEPTANCE

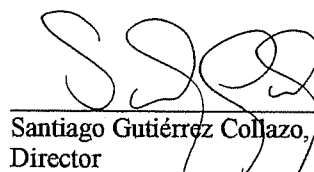
The appearing parties expressly accept that this document contains all the amendments that they have mutually agreed to make on this occasion to the *Grant Agreement for the 1<sup>st</sup> Phase of Wind Resource Assessment* of March 14, 2003 (Contract No. 2003-132013, Date of Registry 14-03-03), as amended by Contract No. 2003-132013-A, Registration Date 17-06-03, of June 17, 2003, and Contract No. 2003-132013-B, Registration Date 30-09-03, of September 30, 2003. By signing the same and initialing all of its pages they recognize their obligation to faithfully abide by the terms and conditions herein expressed and those expressed in the amended *Grant Agreement for the 1<sup>st</sup> Phase of Wind Resource Assessment* of March 14, 2003.

In San Juan, Puerto Rico, this 17 day of September, 2004.

  
Alberto M. Lázaro Castro

  
Jorge Iván Vélez Arocho  
Chancellor/RUM

Acknowledged as  
legally sufficient:

  
Santiago Gutiérrez Collazo, Esq.  
Director  
Office of Legal Affairs  
Department of Natural and Environmental Resources