

Attachment C

Redline of the affected portions of the SUCCESSOR REFUSE GAS LEASE AND AGREEMENT

3. Term. The Restated Agreement became effective on the Effective Date. The term of this Successor Agreement shall automatically commence forthwith upon the termination of the Restated Agreement and shall continue so long as Refuse Gas is produced from the Premises in Commercial Quantities for at least eight (8) out of every twelve (12) consecutive months (subject to the provisions of Section 16 hereof) or this Successor Agreement is continued by any other provision hereof, ~~[B]ut in no event shall the term extend beyond the earlier of December 31, 2018, or the expiration of Lessee's Industrial Wastewater Discharge Permit (the "Sewer Permit") issued by the Orange County Sanitation District (the "Termination Date").~~ Notwithstanding the foregoing, Lessor may terminate any portion of the term of this Successor Agreement after December 31, 2016 upon 60 days' written notice to Lessee at Lessor's sole and absolute discretion and convenience, with or without cause ~~but in no event shall the term extend beyond December 31, 2015;~~ provided, however, that this Successor Agreement shall automatically terminate upon the termination, for any reason whatsoever, of the Site Lease.

4. Royalty. ~~The parties acknowledge that no Refuse Gas, or byproducts thereof, will be removed from the Premises, no Gross Proceeds will be received by Lessee and no royalty will be due to Lessor. The consideration for the remaining term of the Successor Agreement shall be Lessee's continued operation and maintenance of the GMCS at no cost to Lessor through the Termination Date, which shall be conducted in accordance with the provisions of this agreement. Lessor may additionally request Lessee to provide cost proposals for Lessee to perform any operation, maintenance, testing, and/or repair services at any other portion of the Plant.~~ Royalty.

~~Amount. Lessee shall pay to Lessor, as a royalty on Refuse Gas removed from the Premises, a sum of money equal to the following portion of Gross Proceeds:~~

~~If, at the end of any calendar month, Aggregate Net Receipts are less than twice the then Combined Aggregate Capital Investment: twelve and one half percent (12 1/2%) of the Gross Proceeds for said calendar month;~~

~~If, at the end of any calendar month, Aggregate Net Receipts are equal to or greater than twice the then Combined Aggregate Capital Investment but are less than thrice the then Combined Aggregate Capital Investment: twenty five percent (25%) of the Gross Proceeds for said calendar month; and~~

~~If, at the end of any calendar month, Aggregate Net Receipts are equal to or greater than thrice the then Combined Aggregate Capital Investment: the greater of: (i) twenty five percent (25%) of the Gross Proceeds for said calendar month, or (ii) fifty percent (50%) of the Lessee's Net Receipts for said calendar month.~~

4.2. ~~Consumed Gas/Products. Nothing contained herein shall be deemed to obligate Lessee~~

Attachment C

~~to account to Lessor for, or to pay royalty on, any Refuse Gas which is actually and reasonably used, flared, or otherwise consumed by Lessee in connection with its operations or in satisfaction of its obligations hereunder (including, without limiting the generality of the foregoing, testing and test marketing, if no payment is due to Lessee for such Refuse Gas); or in order to control the migration of Refuse Gas; or which are lost, stolen, destroyed or otherwise unavailable, unless such unavailability is caused primarily by the gross negligence or willful misconduct of Lessee, its officers, employees, agents or contractors; or which are delivered to Lessor pursuant to Subsection 6.3 hereof. If, however, the gross negligence or willful misconduct of Lessee or the unreasonable use or consumption by Lessee prohibits the sale of Refuse Gas to third party purchasers during a particular calendar month, and if such precluded sales would have increased the total quantity of Refuse Gas available for delivery to purchasers during said calendar month by more than 10% of the quantity of Refuse Gas actually delivered to purchasers during said calendar month, then Lessee shall pay Lessor a royalty on Refuse Gas not exempt from royalty pursuant to this Subsection 4.2 during said calendar month, said royalty to be calculated as if said Refuse Gas had been sold by Lessee for the highest price then being paid in Los Angeles County and Orange County, California, to producers of similar quantities and qualities of such substances for such substances (or, if there be none, the highest price then generally available in said Counties to seller of similar substances), and royalty was due thereon as provided in Subsection 4.1 of this Successor Agreement.~~

~~**Payments.** Lessee shall pay to Lessor, on or before the last day of each calendar month, the royalty accrued and payable ""with respect to Refuse Gas removed from the Premises during the preceding calendar month, pursuant to the statement provided for in Subsection 10.2 hereof setting forth the basis for computation and determination of such royalty.~~

~~**Prorations.** In the event the term of this Successor Agreement commences on a day other than the first day of a calendar month, then Aggregate Net Receipts, Gross Proceeds shall include the Lessee's Aggregate Net Receipts and Gross Proceeds under the Restated Agreement for any portion of such calendar month not included in the term hereof.~~

7. Gas Migration Control System ("GMCS"). No later than five (5) days after the Effective Date, Lessee shall transfer to Lessor all portions of the GMCS installed at the Landfill and owned by Lessee, including, but not limited to all appurtenant wells, pipes, flares, equipment, fixtures, structures and other facilities relating to gas collection and/or gas migration, whether located on the Premises or elsewhere on the Landfill, and Lessee shall have no obligation under Section 9 hereof to remove any portion of the GMCS. The transfer of the Lessee-owned portion of the GMCS shall be on an as-is, where-is basis; provided, however, at Lessee's sole cost and expense, Lessee shall (a) install auto dialers for all flares, (b) make controls adjustments thereto so as to allow for unmanned flare operation (i.e. blowers will shut down if flares shut down), and (c) refurbish or repair Flare 2 to a condition where it performs in compliance with permit conditions on the Effective Date. If the parties determine that any further modifications or improvements to the GMCS are necessary to ensure regulatory compliance, Lessor may make such modifications or improvements at Lessor's sole expense and Lessee shall continue to maintain the GMCS as modified or improved. Notwithstanding the foregoing, the parties

Attachment C

acknowledge that Gas Condensate is currently disposed of at the Landfill at no cost to Lessee pursuant to Section 6.3 of the Site Lease and Section 6.3 of the Successor Agreement; provided, further, the parties hereby agree that, as of the Effective Date, Lessee shall have the additional right at no cost to Lessee to dispose of, in this same manner at the Landfill, any and all liquid waste, including, but not limited to gas condensate, which forms or is otherwise located within the gas collection system, gas migration control system or any other system for transportation of refuse and landfill gas, including, but not limited to, methane, carbon dioxide and other gases produced by the decomposition of refuse materials within that certain landfill owned by Lessor commonly known as the Prima Deshecha landfill, together with any and all other substances collected in association therewith, as long as such disposal is in compliance with all applicable laws, regulations, and permit conditions. Lessor will not be responsible for any costs to collect, dispose of, or transport any Gas Condensate from either landfill site.~~Gas Migration Control System.~~

~~7.1 — Lessee to Install and Operate. Lessee, at no cost to Lessor except as provided in Subsection 7.3 hereof, but with Lessor's Cooperation, shall, upon reasonable notice from Lessor to commence work thereon:~~

~~— (a) investigate the geology and other characteristics of the Landfill and, to the extent reasonably practicable, the land adjacent to the Landfill to a reasonable distance from the boundaries thereof, and perform such other tests as are reasonable and appropriate to determine the nature and scope of the problem of gas discharges from, and gas, if any, migrating from, the Landfill;~~

~~(b) engineer and design a gas migration control system ("Gas Migration Control System" or "GMCS") using gas migration control technology that is generally accepted, among gas migration control engineers at the time the system is to be procured, to be effective in minimizing the migration of gas beyond the boundaries of the Landfill, and meeting all governmental requirements applicable to the Landfill and to such gas migration control systems at the time the GMCS is installed, the system design to be predicated upon the assumption that the lands adjacent to the Landfill are developed in the manner more particularly described on Exhibit D hereto (it being expressly understood and agreed, however, that if Lessor shall notify Lessee to design the GMCS and Lessor shall then elect to postpone procurement and installation of it for a period longer than one year after completion of the design work, the cost of any redesign work required to cause the GMCS to meet the design standard established by this Subsection 7.1(b) as of the date the GMCS is installed shall be borne by Lessor). The GMCS shall include all appurtenant wells, pipes, flares, equipment, fixtures, structures and other facilities relating thereto and necessary for the full operation thereof, whether located on the Premises, the Plant Site or elsewhere; monitor the Probes by Public Laws which are applicable to Lessee's operations under this Restated Agreement, at Lessee's cost monitor the Probes which are from time to time installed by Lessee, Lessor, County, an assessment or community facilities district or other person (the "Installing Party") in or adjacent to the slope areas or other land between the Landfill and adjacent residential and commercial projects. Lessee acknowledges that the Installing Party may elect to, at its or Lessor's cost, install more Probes than may be required by applicable Public Laws, and that Lessee shall monitor all such Probes as required under the preceding sentence. If applicable Public Laws require a greater number of Probes than installed by the Installing Party, then Lessee shall install, monitor and maintain such~~

~~additional Probes at Lessee's cost as may be required by Public Laws.~~

~~Gas Condensate. Lessee shall, at its sole cost and expense, lav. fully manage and/or dispose of and be responsible for liquid waste which forms or is otherwise located within that portion of the Gas Migration Control System or Lessee's system for extraction and transportation of Refuse Gas other than vertical or horizontal Refuse Gas extraction wells ("Gas Condensate") and comply with all Public Laws relating to Gas Condensate.~~

~~—Notice of Discontinuance. Lessee shall give Lessor not less than six (6) months written notice prior to any discontinuation of its operation of the GMCS resulting from a termination or expiration of this Successor Agreement for any reason whatsoever, and until the expiration of such notice period Lessee shall be fully and solely responsible for operation of the GMCS in compliance with the terms of this Successor Agreement and all applicable Public Laws. Upon any such termination, Lessee shall deliver to Lessor a complete fully operable GMCS which is in compliance with Public Laws and capable of controlling the migration and emission of Refuse Gas as required by Public Laws; provided, however, that Lessor's obligation to pay Lessee any consideration for such GMCS shall be governed by section 8 and 9 of this Successor Agreement.~~

~~7.7 — Compliance With Air Emission Standards. Without in any way limiting Lessee's obligations as set forth elsewhere in this Successor Agreement, Lessee shall, at its sole cost and expense, comply with Title 14 of California Code of Regulations, South Coast Air Quality Management District Rule 1150.1, and any successor statutes, regulations or rules, and all other Public Laws now in force or which may hereafter be in force with respect to emission or migration of Refuse Gas or its components or by products in gaseous form from the Landfill; provided, however, that Lessee shall not be responsible for any violation of such laws caused by the gross negligence, willful misconduct or failure to comply with applicable landfill operational and post closure laws by the County of Orange or its agents, representatives or contractors.~~

9. Removal and restoration. ~~[n]o later than the Termination Date Promptly after termination of this Successor Agreement~~ (except if caused by default of Lessor or by reason of the circumstances described in Subsection 16.7 hereof, in which event removal or non-removal of property, fixtures and improvements will be at Lessee's exclusive option, and except in the case of a termination pursuant to Section 8(b) hereof, in which event Lessee shall not remove any of the Required Facilities offered to and accepted by Lessor), ~~but in no event later than ninety (90) days after such termination~~, Lessee shall (and shall be permitted to) remove all property, fixtures and improvements (including, without limiting the generality of the foregoing, foundations and underground structures) which Lessee has placed or caused to be placed in, on or adjacent to the Premises (except that Lessee shall not remove: (i) deeply buried piping, and (ii) such cellars, pads, foundations, pipe trenches, vaults, and similar improvements as Lessor shall instruct Lessee not to remove; and Lessee shall not be required to remove such other improvements as Lessor reasonably determines do not then, and will not thereafter, constitute a hazard or interfere with the then current use, or reasonably

Attachment C

anticipated future use, of the Premises), and, except as otherwise directed by Lessor, shall fill all cellars, pipe trenches, vaults and other voids created by Lessee and shall restore the surface of the Premises to its condition at the commencement of the Original Agreement or to such better conditions as existed immediately prior to the termination. Notwithstanding the foregoing, any and all wells, together with attendant collection facilities, constituting Lessee's recovery system and the GMCS will, at Lessor's election either be transferred to Lessor by bill of sale, for ten dollars (\$10.00) consideration, Lessor agreeing, in that instance to pay all sales, use and other transfer taxes associated with such transfer, or will be abandoned, at Lessee's cost and expense: (i) in a manner consistent with the continued operation of the Gas Migration Control System, if any, constructed and installed by Lessee as contemplated by the provisions of Subsection 7.1 hereof, and (ii) in accordance with applicable law; provided, however, that if applicable law does not then require the filling and capping of such wells, Lessee shall fill and cap such wells to the satisfaction of Lessor, if Lessor reasonably so directs. Lessee shall also promptly prepare and deliver to Lessor, in duplicate, a detailed map showing the exact location of all foundations, pipes and other objects installed and left by Lessee. Notwithstanding the foregoing and for the avoidance of doubt, the parties hereby acknowledge and agree that Lessor has instructed Lessee not to remove any interconnection or switchgear equipment, the motor control center room, the control room of the Plant and any portion of the GMCS, including, but not limited to, any flares, blowers, the flare control panel and any condensate disposal related equipment. Lessee shall maintain all condensate disposal related equipment until the Termination Date, but Lessee shall remove such equipment within 30 days of the Termination Date. Subject to Section 7 above, all such remaining property, as well as any other property which Lessor and Lessee mutually agree before the Termination Date shall remain at the Landfill, shall be transferred to Lessor in its as-is, where-is condition effective as of the Termination Date. Lessee shall apply for all necessary permits for demolition and removal of facilities and debris in accordance with Section 9.1 by February 28, 2016. Provided that Lessee has received a valid permit for such demolition, Lessee shall issue a notice to proceed with demolition to its contractor(s) by October 1, 2016, and shall complete demolition within 90 days of its commencement. The stack and attached cell antenna(s) may remain in place until such time as they must be dismantled as part of the removal of these facilities. In no event shall Lessee's demolition and restoration activities extend beyond December 31, 2016.

Lessee to Pay All Expenses and Indemnify Owner. Lessee shall, at its own risk and expense, provide and promptly pay for all labor, equipment and supervisions of whatever kind or nature that may be needed to carry on the operations of Lessee hereunder and to perform the requirements imposed upon Lessee by this Successor Agreement, and nothing herein contained shall obligate Lessor to reimburse Lessee for any costs incurred by Lessee in the performance of its obligations hereunder (except amounts to be paid by Lessor as provided in Subsection 5.5 and Sections 7 and 12 hereof). Notwithstanding any other provision of this Successor Agreement, Lessee agrees to pay all damages, losses and thereafter for the balance of the term if, after removal of the cause or causes hindering performance, Lessee or Lessor, as the case may be, diligently commences or resumes said performance and promptly satisfies such obligation. The party delayed or prevented from performance shall notify the other of such delay or prevention, in reasonable detail, within seven (7) days of the inception thereof and shall keep said other party regularly informed of the status of such

Attachment C

delay or prevention. Notwithstanding the foregoing, no later than the Effective Date, Lessor shall become the customer for all utilities associated with the operation of the Landfill, the Premises and the GMCS, including, but not limited to, electricity, including standby and demand charges, gas, water, cable telecommunications, telecommunications and internet, and Lessor and Lessee shall use commercially reasonable efforts to transfer all accounts relating to same to Lessor as soon as practicable, except Lessee shall continue to be responsible for sewer permits and any and all sewer-related charges and fees; provided, however, in the event that the utilities for which Lessor are to become the customer are not transferred before the Effective Date, Lessor shall reimburse Lessee for all such costs accruing on or after the Effective Date, plus an additional markup of fifteen percent (15%) of such costs, payable no later than thirty (30) days after Lessor receives and invoice from Lessee therefor.

Modification of Plant. The parties hereby agree that Lessee shall modify the equipment at the Plant Site to allow the Plant to operate unmanned; provided, further that the parties shall cooperate on the extension of the Sewer Permit; provided, however, no Lessor approvals pursuant to Section 5 of the Successor Agreement shall be necessary for such modifications or such Sewer Permit extension.