



**Intermountain Power Project  
RENEWAL CONTRACT  
COORDINATING COMMITTEE MEETING**

**August 7, 2018  
Hyatt Centric, Park City, Utah**

**RENEWAL CONTRACT COORDINATING COMMITTEE PARTICIPATING VOTES**

**July 26, 2018**

<b>CHAIRMAN – R. DAN ELDREDGE</b> 801-938-1333 <a href="mailto:dan@ipautah.com">dan@ipautah.com</a>	<b>%</b>	<b>Yes</b>	<b>No</b>	<b>Abs</b>	<b>Remarks</b>
<b>BURBANK</b> 164 W. Magnolia Boulevard, Burbank, CA 91502 Jorge Somoano 818-238-3550 <a href="mailto:jsomoano@burbankca.gov">jsomoano@burbankca.gov</a> Lincoln Bleveans (Alt) 818-238-3651 <a href="mailto:lbleveans@burbankca.gov">lbleveans@burbankca.gov</a> Himanshu Pandey (Alt) 818-238-3634 <a href="mailto:hpandey@burbankca.gov">hpandey@burbankca.gov</a>	4.167				
<b>GLENDALE</b> 141 N. Glendale Ave, 4 <sup>th</sup> FL, Glendale, CA 91206 Stephen M. Zurn 818-548-2107 <a href="mailto:SZurn@glendaleca.gov">SZurn@glendaleca.gov</a> Mark Young (Alt) 818-548-2107 <a href="mailto:myoung@glendaleca.gov">myoung@glendaleca.gov</a>	4.167				
<b>LOS ANGELES</b> 111 N. Hope St. Room 1263, Los Angeles CA 90012 Bradford Packer 213-367-2227 Rm 921 <a href="mailto:brad.packer@ladwp.com">brad.packer@ladwp.com</a> Reiko Kerr (Alt) 213-367-0387 Rm 921 <a href="mailto:Reiko.Kerr@ladwp.com">Reiko.Kerr@ladwp.com</a>	64.775				
<b>PASADENA</b> 150 S. Los Robles Ave., Suite 200, Pasadena, CA 91101 Gurcharan Bawa 626-744-7598 <a href="mailto:gbawa@cityofpasadena.net">gbawa@cityofpasadena.net</a> Shari Thomas (Alt) 626-744- 4515 <a href="mailto:sthamas@cityofpasadena.net">sthamas@cityofpasadena.net</a> Eric Klinkner (Alt) 626-744-4478 <a href="mailto:eklinkner@cityofpasadena.net">eklinkner@cityofpasadena.net</a> Mandip Kaur Samra (Alt) 626-744-7493 <a href="mailto:msamara@cityofpasadena.net">msamara@cityofpasadena.net</a>	1.667				
<b>RIVERSIDE</b> 3435 14 <sup>th</sup> Street, Riverside CA 92501 Todd L. Jorgenson 951-826-8950 <a href="mailto:tjorgenson@riversideca.gov">tjorgenson@riversideca.gov</a> Daniel E. Garcia (Alt) 951-826-8526 <a href="mailto:degarcia@riversideca.gov">degarcia@riversideca.gov</a> Laura Chavez-Nomura 951-826-5492 <a href="mailto:lnomura@riversideca.gov">lnomura@riversideca.gov</a> Martin Ochoterena (Alt) 951-826-8528 <a href="mailto:mochotorena@riversideca.gov">mochotorena@riversideca.gov</a> Roy Xu (Alt) 951-826-8505 <a href="mailto:nxu@riversideca.gov">nxu@riversideca.gov</a>	4.167				
<b>UTAH MUNICIPALITIES</b> Ted Olson 435-283-7533 <a href="mailto:ted.olson@snow.edu">ted.olson@snow.edu</a> Snow College 150 College Avenue, Ephraim UT 84627 Eric Larsen (Alt) 435-743-5114 <a href="mailto:elarsen@frontiernet.net">elarsen@frontiernet.net</a> 210 South 370 East, Fillmore, UT84631	5.737				
<b>BOUNTIFUL</b> Allen Johnson 801-298-6162 <a href="mailto:ajohnson@bountifulutah.gov">ajohnson@bountifulutah.gov</a> 198 South 200 West, Bountiful UT 84010 Gary Hill (Alt) 801-298-6140 <a href="mailto:ghill@bountifulutah.gov">ghill@bountifulutah.gov</a> 790 South 100 East, Bountiful UT 84010	1.711				
<b>LOGAN</b> 530 North 800 West, Logan UT 84321 Mark Montgomery 435-716-9744 <a href="mailto:mark.montgomery@loganutah.org">mark.montgomery@loganutah.org</a> Yuqi Zhao (Alt) 435-716-9738 <a href="mailto:Yuqi.zhao@loganutah.org">Yuqi.zhao@loganutah.org</a>	2.491				
<b>MURRAY</b> 153 West 4800 South. Murray UT 84107 Blaine Haacke 801-558-9626 <a href="mailto:bhaacke@murray.utah.gov">bhaacke@murray.utah.gov</a> Greg Bellon (Alt) 801-330-9974 <a href="mailto:gbellon@murray.utah.gov">gbellon@murray.utah.gov</a>	4.036				
<b>REC'S (Bridger Valley, Garkane Energy, Flowell Electric)</b> Durand Robison 435-743-6214 <a href="mailto:durandr@flowellelectric.com">durandr@flowellelectric.com</a> Flowell Electric 495 N 3200 W, Fillmore UT 84631 LaDel Laub (Alt) 435-439-5311 <a href="mailto:ladell@dixiepower.com">ladell@dixiepower.com</a> Dixie-Escalante, 71 East Hwy 56 Beryl UT 84714	1.713				
<b>DIXIE-ESCALANTE</b> Durand Robison 435-743-6214 <a href="mailto:durand@deseretpower.com">durand@deseretpower.com</a> 495 North 3200 West, HC 61, Fillmore UT 84631 LaDel Laub (Alt) 435-439-5311 <a href="mailto:ladell@dixiepower.com">ladell@dixiepower.com</a> 71 East Hwy 56, Beryl UT 84714-5197	1.548				
<b>MOON LAKE ELECTRIC ASSOC.</b> 800 West Highway 40, Roosevelt UT 84066 Grant Earl 435-7225-5400 <a href="mailto:gjearl@mleainc.com">gjearl@mleainc.com</a> Jared Griffiths (Alt) 435-722-5400 <a href="mailto:jgriffiths@mleainc.com">jgriffiths@mleainc.com</a>	2.018				
<b>MT. WHEELER POWER, INC.</b> PO Box 151000, Ely NV 89315 Kevin Robison (Alt) 755-289-8981 <a href="mailto:kevinr@mwpower.org">kevinr@mwpower.org</a>	1.803				
<b>TOTAL</b>	<b>100.000</b>				

**NOTICE OF INTERMOUNTAIN POWER PROJECT  
RENEWAL CONTRACT COORDINATING COMMITTEE MEETING**

THE INTERMOUNTAIN POWER PROJECT (IPP) HAS SCHEDULED A MEETING OF THE RENEWAL CONTRACT COORDINATING COMMITTEE AT 11:30 A.M. ON TUESDAY, AUGUST 7, 2018 AT THE HYATT CENTRIC PARK CITY, WASATCH BALLROOM, PARK CITY, UTAH.

**AGENDA**

1. INTRODUCTIONS AND ANNOUNCEMENTS (DAN ELDREDGE)
2. CONSIDERATION AND APPROVAL OF THE MAY 21, 2018 RENEWAL CONTRACT COORDINATING COMMITTEE MEETING MINUTES
3. DISCUSSION OF THE AUGUST 7, 2018 INTERMOUNTAIN POWER PROJECT COORDINATING COMMITTEE MEETING (DAN ELDREDGE)
4. DISCUSSION OF BYLAWS (DAN ELDREDGE)
5. **RESOLUTION RCCC-2018-003**  
CONSIDERATION AND APPROVAL OF ELECTION OF UTAH MUNICIPAL PURCHASERS' AND COOPERATIVE PURCHASERS' REPRESENTATIVES TO THE RENEWAL CONTRACT COORDINATING COMMITTEE (DAN ELDREDGE)
6. BRIEFING ON PROPOSED APPROVAL OF ALTERNATIVE REPOWERING (PAUL SCHULTZ)
7. EXECUTIVE SESSION
8. OTHER BUSINESS
9. TIME AND PLACE OF NEXT MEETING  
11:30 A.M., TUESDAY, NOVEMBER 6, 2018  
LOS ANGELES, CALIFORNIA

JULY 31, 2018

1 **DRAFT INTERMOUNTAIN POWER PROJECT**  
2 **RENEWAL CONTRACT COORDINATING COMMITTEE MEETING**  
3 **MINUTES**  
4 **MAY 21, 2018**

5  
6 **MINUTES**  
7

8 A meeting of the Intermountain Power Project (IPP) Renewal Contract Coordinating Committee  
9 (RCCC) was held on May 21, 2018 at the Intermountain Generating Station, 850 West Brush  
10 Wellman Road, Delta, Utah. The following were in attendance:

11  
12 Dan Eldredge IPA (IPP RCCC Chair)  
13 Linford Jensen IPA  
14 Cameron Cowan IPA  
15 Vance Huntley IPA  
16 Michelle Miller IPA  
17 Bruce Rigby IPA  
18 Eric Larsen IPA  
19 Nick Tatton IPA  
20 Saif Mogri IPA Consultant  
21 Manny Robledo Anaheim  
22 Himanshu Pandey (Alt.) Burbank  
23 Allen Johnson Bountiful  
24 Mark Young (Alt.) Glendale  
25 Jon Finlinson IPSC  
26 Jon Christensen IPSC  
27 Jim Hill IPSC  
28 Brad Packer LADWP  
29 John Aguilar LADWP  
30 Kevin Peng LADWP  
31 Paul Schultz LADWP  
32 Melia Asucan LADWP  
33 Andrea Villarín LADWP  
34 Lori Morrish LADWP  
35 Mark Montgomery Logan  
36 Jared Griffiths (Alt.) Moon Lake  
37 Kevin Robison Mt. Wheeler  
38 Blaine Haacke Murray  
39 Eric Klinkner (Alt.) Pasadena  
40 Durand Robison REC's & Dixie-Escalante  
41 Martin Ochoterena (Alt.) Riverside – Phone Participant  
42 Ted Olson Utah Municipalities  
43 Joel Eves Lehi  
44 Dan Anderson Mt. Pleasant  
45 Mark Buchi Holland & Hart  
46 Eric Bawden Holland & Hart

1 Ron Rencher Parsons, Behle & Latimer

2  
3 **INTRODUCTION AND ANNOUNCEMENTS**

4  
5 The meeting commenced at 12:35 p.m. conducted by Chair Dan Eldredge. Mr. Eldredge  
6 welcomed everyone to the meeting. He stated the RCCC has a quorum to conduct the business  
7 before them. Mr. Eldredge had the RCCC members and visitors introduced.

8  
9 **CONSIDERATION AND APPROVAL OF THE MARCH 13, 2018 RENEWAL**  
10 **CONTRACT COORDINATING COMMITTEE MEETING MINUTES**

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12 Mr. Eldredge asked for a motion to approve the RCCC meeting minutes of March 13, 2018.

13  
14 **Mr. Johnson made a motion to approve the RCCC meeting minutes of March 13,**  
15 **2018. Mr. Packer seconded the motion. A vote by all RCCC members present was**  
16 **taken and the vote was unanimous in the affirmative.**

17  
18 **DISCUSSION OF THE MAY 21, 2018 INTERMOUNTAIN POWER PROJECT**  
19 **COORDINATING COMMITTEE MEETING**

20  
21 Mr. Eldredge said the RCCC members received reports covered in the IPP Coordinating  
22 Committee meeting earlier today.

23  
24 Mr. Eldredge asked for questions or comments on the reports. There was none.

25  
26 **DISCUSSION OF BYLAWS**

27  
28 Mr. Eldredge said a draft of the Bylaws has been reviewed by IPA and is currently being  
29 reviewed by LADWP. The Bylaws draft should be ready for presentation and discussion in the  
30 August RCCC meeting. The Bylaws will then be presented for approval in the November RCCC  
31 meeting.

32  
33 **RESOLUTION RCCC-2018-002 CONSIDERATION AND APPROVAL OF**  
34 **DETERMINATION THAT PRELIMINARY REPOWERING INTEREST COSTS**  
35 **CONSTITUTE COSTS OF THE GAS REPOWERING**

36  
37 Mr. Eldredge said the RCCC members were present during the discussion in the CC meeting and  
38 asked if there was any further discussion or questions on the Resolution. Hearing none, Mr.  
39 Eldredge asked for a motion to approve Resolution RCCC-2018-002.

40  
41 **Based on the previous discussion in the CC meeting and in the absence of further**  
42 **discussion or questions, Mr. Klinkner made a motion to approve Resolution RCCC-**  
43 **2018-002. Mr. Johnson seconded the motion. A vote by all RCCC members**  
44 **present was taken and the vote was unanimous in the affirmative.**

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**EXECUTIVE SESSION**

There was none.

**OTHER BUSINESS**

There was none.

Mr. Eldredge thanked everyone for their participation and asked for a motion to adjourn the meeting.

**Mr. Durand Robison made a motion to adjourn. Mr. Klinkner seconded the motion. A vote by all RCCC members present was taken and the vote was unanimous in the affirmative. Meeting adjourned at 12:40 p.m.**

**TIME AND PLACE OF NEXT MEETING**

Tuesday, August 7, 2018, at 11:30 a.m., at the Hyatt Centric Hotel in Park City, Utah.

Minutes taken by Michelle Miller

**RESOLUTION**

**RCCC-2018-003**

**APPROVAL OF ELECTION OF UTAH MUNICIPAL PURCHASERS' AND  
COOPERATIVE PURCHASERS' REPRESENTATIVES TO THE  
RENEWAL CONTRACT COORDINATING COMMITTEE**

On motion of \_\_\_\_\_, seconded by \_\_\_\_\_, at a meeting of the Intermountain Power Project ("IPP") Renewal Contract Coordinating Committee (the "Committee") held on August 7, 2018, the following Resolution was duly adopted:

WHEREAS, Section 6.1 of each Renewal Power Sales Contract, dated January 16, 2017, between Intermountain Power Agency ("IPA") and each IPP purchaser (collectively, the "Contracts"), established the Committee (each capitalized term used in this Resolution that is not otherwise defined in this Resolution has the meaning given to such term in the Contracts) with powers and duties similar to those of the Original Coordinating Committee under the Original Power Sales Contracts; and

WHEREAS, pursuant to Section 6.1.10.3 of the Contracts, the Committee was organized by the appointment or election by the Purchasers of the Purchasers' respective representatives to the Committee (collectively, the "Representatives"); and

WHEREAS, Section 6.1.4 of the Contracts provides that the Utah Municipal Purchasers (other than Utah Municipal Purchasers with Generation Entitlement Shares equal to or greater than 1.40%) (being the "Other Municipal Purchasers") are entitled, collectively, to one Representative (together with one or more alternates to such Representative) on the Committee (the "Utah Municipal Purchasers' Representative"); and

WHEREAS, Section 6.1.4 of the Contracts also provides that the Utah Municipal Purchasers' Representative shall be elected by a weighted majority vote based on the Other Utah Municipal Purchasers' Voting Rights; and

WHEREAS, Section 6.1.5 of the Contracts provides that the Cooperative Purchasers (other than Cooperative Purchasers with Generation Entitlement Shares equal to or greater than 1.40%) (being the "Other Cooperative Purchasers") are entitled, collectively, to one Representative (together with one or more alternates to such Representative) on the Committee (the "Cooperative Purchasers' Representative" and, together with the Utah Municipal Purchasers' Representative, collectively, the "Collective Representatives"); and

WHEREAS, Section 6.1.5 of the Contract also provides that the Cooperative Purchasers' Representative shall be elected by a weighted majority vote based on the Other Cooperative Purchasers' Voting Rights; and

WHEREAS, Section 6.1.7 of the Contract provides for the election of the Collective

Representatives and one or more alternates to the Representatives (each such alternate being a “Collective Alternate”), by the Other Utah Municipal Purchasers and the Other Cooperative Purchasers, respectively, at the following times:

1. Within 30 days after the Entitlement Determination Date, or on or before February 16, 2017 (the “2017 Election”);
2. Within the first 60 days of the first calendar year following the date of the Contracts, or on or before March 1, 2018 (the “2018 Election”); and
3. Within the first 60 days of each fifth calendar year after the 2018 Election (e.g., 2023, 2028, 2033, 2038, etc.); and

WHEREAS, the initial Collective Representatives and Collective Alternates were elected by the Other Utah Municipal Purchasers and the Other Cooperative Purchasers, respectively, within the time provided for the 2017 Election in the Contracts; and

WHEREAS, the Other Utah Municipal Purchasers and the Other Cooperative Purchasers have now elected their respective Collective Representatives and Collective Alternates identified on Appendix A attached to this Resolution, although the elections of such Collective Representatives and Collective Alternates were held after the period provided for the 2018 Election in the Contracts; and

WHEREAS, the Committee has reviewed and considered the foregoing.

NOW, THEREFORE, BE IT RESOLVED, that the Committee hereby approves and accepts the results of the respective elections of the Collective Representatives and the Collective Alternates conducted in 2018 as being effective and as having the same effect under the Contracts as if such elections had been conducted during the time specified for the 2018 Election in the Contracts, and (b) recognizes the Collective Representatives and the Collective Alternates (as alternates permitted to act as Representatives under the Contract) so elected as the duly elected and appointed Representatives of the Other Utah Municipal Purchasers and the Other Cooperative Purchasers, respectively, with authority to take action on the Committee as full members of the Committee in good standing; and



BE IT FURTHER RESOLVED, that the Chairman is hereby authorized and directed by the Committee to execute this Resolution and to do all things necessary to render the same in full force and effect.

INTERMOUNTAIN POWER PROJECT  
RENEWAL CONTRACT COORDINATING  
COMMITTEE

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CHAIRMAN

ATTEST:

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SECRETARY

APPENDIX A

REPRESENTATIVES AND ALTERNATES ELECTED BY PURCHASER GROUPS IN 2018

<u>Purchaser Group</u>	<u>Representative and Alternate Representative</u>
Other Utah Municipal Purchasers	Ted L. Olson, Representative Eric Larsen, Alternate Representative
Other Cooperative Purchasers	Durand Robison, Representative LaDel Laub, Alternate Representative

August 2, 2018

Mr. R. Dan Eldredge  
General Manager  
Intermountain Power Agency  
10653 S. River Front Parkway, Suite 120  
South Jordan, UT 84095

Dear Mr. Eldredge:

Subject: Recommendation for Approval of Alternative Repowering

It is requested that the Intermountain Power Project Coordinating Committee (the "IPP Coordinating Committee"), the Renewal Contract Coordinating Committee (the "Renewal Contract Coordinating Committee") and the Intermountain Power Agency ("IPA") Board of Directors (the "IPA Board") approve the Alternative Repowering as described in the Alternative Repowering Description (as more fully described below). This request is based in part on the approval for the Alternative Repowering received from the governing bodies of electric utilities that currently purchase and will purchase electric power and associated rights to transmission capacity (the "Power Purchasers") from the Intermountain Power Project (the "Project") pursuant to Original Power Sales Contracts and Renewal Power Sales Contracts (as more fully described below).

IPA sells electric power generated at the Project and associated rights to transmission capacity to certain Power Purchasers in Utah and California (the "Original Purchasers") through June 15, 2027, as that date may be extended (the "Transition Date"), under Power Sales Contracts, as amended, including the Second Amendatory Power Sales Contracts dated as of December 8, 2015 (the "Original Power Sales Contracts"). The electric power sold to the Original Purchasers pursuant to the Original Power Sales Contracts currently is generated from two coal-fueled steam electric generating units and associated auxiliary equipment, as described in Appendix C to the Original Power Sales Contracts (the "Coal Powered Generation Units"). Appendix C to the Original Power Sales Contracts was designed to be revised by IPA with the approval of the IPP Coordinating Committee, based on modifications to the Project, including in respect of the Coal Powered Generation Units.

The Original Power Sales Contracts contemplate that the Coal Powered Generation Units will be replaced by two combined cycle natural gas-fired combustion turbine generating units and associated equipment, each with a design capacity of approximately 600 MW, subject to approval of a lesser design capacity prior to commencement of construction and installation (the "Gas Repowering"). In addition, the Original Power Sales Contracts provide for one or more modified versions of or alternatives to the Gas Repowering in addition to, or

in substitution for, the Gas Repowering (an "Alternative Repowering"). Any Alternative Repowering, among other things, must (a) be capable of supplying the electric generation of the Project, (b) provide increased benefits to, or otherwise be advantageous for, the Project, and (c) be approved by the IPP Coordinating Committee, the Renewal Contract Coordinating Committee and the IPA Board. Pursuant to their existing terms and conditions, the Original Power Sales Contracts are to be revised as determined by the IPP Coordinating Committee, the Renewal Contract Coordinating Committee and the IPA Board to reflect any Alternative Repowering. In addition, the Original Power Sales Contracts require that any Alternative Repowering receive all required governmental approvals and other required consents or approvals, including from the governing bodies of the Power Purchasers.

Pursuant to Renewal Power Sales Contracts dated as of January 16, 2017 (the "Renewal Power Sales Contracts"), between IPA and certain of the Original Purchasers (the "Renewal Purchasers"), IPA agreed to sell electric power generated pursuant to the Gas Repowering and associated rights to transmission capacity to the Renewal Purchasers on and after the Transition Date. Appendix C to the Renewal Power Sales Contracts contains a general description of the Project, including a description of the Gas Repowering. As with the Original Power Sales Contracts, the Renewal Power Sales Contracts contemplate an Alternative Repowering. In the event of an Alternative Repowering, the description of the Project in Appendix C to the Renewal Power Sales Contracts is to be revised accordingly.

The Generation and Transmission Subcommittee of the IPP Coordinating Committee (the "Subcommittee") reviewed the requirements for the Gas Repowering, and determined that the Gas Repowering is not in the best interests of the Project. As an alternative, the Subcommittee, in a meeting convened on February 12, 2018, reached consensus on the following general description of an Alternative Repowering (the "Alternative Repowering Description"):

"The construction and installation of two combined-cycle natural gas fired power blocks, each power block consisting of one gas turbine, a heat recovery steam generator train and a single steam turbine, with an approximate combined net generation capability of 840 MW, together with auxiliary equipment associated with such power blocks, where "net generation capability" means gross power generation less auxiliary load for generation and transmission support."

Based on the Alternative Repowering Description, the Project Manager determined that the Alternative Repowering is capable of supplying the electric generation of the Project, and provides increased benefits to, and otherwise is advantageous for, the Project. The Alternative Repowering Description requires approval of the IPP Coordinating Committee, the Renewal Contract Coordinating Committee and the IPA Board. The Alternative Repowering also will require revisions to the description of the Project in Appendix C to the Original Power Sales Contracts as determined by the IPP Coordinating Committee and the IPA Board (the "Original Power Sales Contract Appendix C Revisions"), and revisions to the description of the Project in Appendix C to the Renewal Power Sales Contracts as determined by the Renewal Contract Coordinating Committee and the IPA Board (the

“Renewal Power Sales Contract Appendix C Revisions”), in each case based on the Alternative Repowering Description. In addition, based on the Alternative Repowering Description, the Alternative Repowering will require Alternative Repowering Revisions as defined in the Original Power Sales Contracts, and will require revisions to the Original Power Sales Contracts as determined to be necessary by the IPP Coordinating Committee, the Renewal Contract Coordinating Committee and the IPA Board (the “Original Power Sales Contract Revisions”).

Pursuant to Section 44.6.3 of the Original Power Sales Contracts, any Alternative Repowering is subject to receipt of all required government regulatory approvals and other required consents or approvals, including all approvals required by the governing bodies of the Original Purchasers and the Renewal Purchasers. Based on this requirement, pursuant to a letter dated March 5, 2018, the Project Manager requested, among other things, that (a) the IPP Coordinating Committee and the IPA Board acknowledge the Alternative Repowering Description, the Original Power Sales Contract Appendix C Revisions, and the Original Power Sales Contract Revisions; (b) the Renewal Contract Coordinating Committee and the IPA Board acknowledge the Alternative Repowering Description, the Renewal Power Sales Contract Appendix Revision, and the Original Power Sales Contract Revisions; and (c) the members of the IPP Coordinating Committee seek approval for the Alternative Repowering from the governing bodies of the Original Purchasers, and the Renewal Contract Coordinating Committee seek approval for an Alternative Repowering from the governing bodies of the Renewal Purchasers, in each case based on the Alternative Repowering Description. Resolutions to that effect were approved on March 13, 2018, by the IPP Coordinating Committee, the Renewal Contract Coordinating Committee and the IPA Board (the “March 13, 2018 Resolutions”). Based on the March 13, 2018 Resolutions, the members of the IPP Coordinating Committee obtained approvals for the Alternative Repowering from the governing bodies of the Original Purchasers that they represent, and members of the Renewal Contract Coordinating Committee obtained approvals for the Alternative Repowering from the governing bodies of the Renewal Purchasers that they represent, in each case as applicable.

With this letter, the Project Manager has provided a resolution for each of the IPP Coordinating Committee (the “IPP Coordinating Committee Resolution”) and the Renewal Contract Coordinating Committee (the “Renewal Contract Coordinating Committee Resolution”) and together with the IPP Coordinating Committee Resolution, the “Resolutions”). Based on the foregoing and the recitals in the Resolutions, the Project Manager requests and recommends that (a) the IPP Coordinating Committee approve, and recommend that the IPA Board approve, (i) the Alternative Repowering as set forth in the Alternative Repowering Description; (ii) the Original Power Sales Contract Appendix C Revisions; and (iii) the Original Power Sales Contract Revisions, each as set forth in the IPP Coordinating Committee Resolution; (b) the Renewal Contract Coordinating Committee approve, and recommend that the IPA Board approve, (i) the Alternative Repowering as set forth in the Alternative Repowering Description; (ii) the Renewal Power Sales Contract Appendix C Revisions; and (iii) the Original Power Sales Contract Revisions, each as set forth in the Renewal Contract Coordinating Committee Resolution; and (c) the IPA Board approve (i) the Alternative Repowering as set forth in the Alternative Repowering Description; (ii) the Original Power Sales Contract Appendix C Revisions; (iii) the Renewal



Mr. R. Dan Eldredge

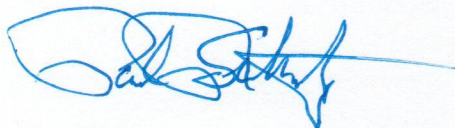
Page 4

August 2, 2018

Power Sales Contract Appendix C Revisions; and (iv) the Original Power Sales Contract Revisions, all as set forth in the respective Resolutions. The Resolutions also ratify and confirm the delegation of authority to the IPA General Manager and the Project Manager, acting jointly, to modify the Original Power Sales Contract Appendix C Revisions, the Renewal Power Sales Contract Appendix C Revisions and the Original Power Sales Contract Revisions, as originally set forth in the Resolutions. The Project Manager is of the opinion that the ratification and confirmation of this delegation of authority is the most efficient way to make conforming changes to the Original Power Sales Contract Appendix C Revisions, the Renewal Power Sales Contract Appendix C Revisions and the Power Sales Contract Revisions without the need to seek approval of the IPP Coordinating Committee, the Renewal Contract Coordinating Committee and the IPA Board.

The Project Manager will discuss the Resolutions and recommendations described in this letter at the regularly scheduled meetings of the IPP Coordinating Committee, the Renewal Contract Coordinating Committee and the IPA Board, currently scheduled for August 7, 2018.

Sincerely,



Paul R. Schultz

IPP Project Manager

Los Angeles Department of Water and Power, Project Manager

PRS/KTP: md

Enclosure

c/enc: IPP CC Standard Distribution

**RESOLUTION**

**RCCC-2018-[\_\_]**

**APPROVAL OF  
ALTERNATIVE REPOWERING**

On motion of [\_\_\_\_], seconded by [\_\_\_\_], at a telephone meeting of the Renewal Contract Coordinating Committee (the "Committee") held on September \_\_, 2018, the following Resolution was duly adopted:

WHEREAS, Intermountain Power Agency ("IPA") financed, acquired, constructed and owns the Project (as defined in the Original Power Sales Contracts) pursuant to which IPA sells, and intends to sell, electric power and associated rights to transmission capacity to the Utah Purchasers (as defined in the Original Power Sales Contracts) and the California Purchasers (as defined in the Original Power Sales Contracts) (collectively, the "Purchasers") through June 15, 2027, as such date may be extended (the "Transition Date"), pursuant to Power Sales Contracts, as amended, including the Second Amendatory Power Sales Contracts dated as of December 8, 2015 (the "Original Power Sales Contracts"); and

WHEREAS, IPA and various Purchasers (the "Renewal Purchasers") entered into the Renewal Power Sales Contracts dated as of January 16, 2017, pursuant to which IPA intends to sell electric power and associated rights to transmission capacity of the Project to the Renewal Purchasers on and after the Transition Date (the "Renewal Power Sales Contracts"); and

WHEREAS, Appendix C to the Renewal Power Sales Contracts contains a general description of the Project after the Gas Repowering (as defined in the Original Power Sales Contracts), which description will be revised from time to time to reflect changes to the Project during the term of the Renewal Power Sales Contracts; and

WHEREAS, the description of the Gas Repowering conforms to the provisions of Section 44.1 of the Original Power Sales Contracts; and

WHEREAS, Section 6.2.19 of the Renewal Power Sales Contracts authorizes the Committee to make recommendations to the IPA Board of Directors (the "IPA Board") with respect to the description of the Project contained in Appendix C of the Renewal Power Sales Contracts to conform such description to the actual Project; and

WHEREAS, Section 44.6 of the Original Power Sales Contracts provides for an Alternative Repowering (as defined in the Original Power Sales Contracts); and

WHEREAS, Section 44.1 of the Original Power Sales Contracts requires that the Original Power Sales Contracts be revised to the extent necessary to describe any Alternative Repowering; and

WHEREAS, the Generation and Transmission Subcommittee of the Intermountain Power Project Coordinating Committee (the "IPP Subcommittee") agreed by consensus in a meeting of the IPP Subcommittee convened on February 12, 2018, to a general description of an Alternative Repowering, which description is attached hereto as Exhibit A (the "Alternative Repowering Description"); and

WHEREAS, based on the Alternative Repowering Description, the Project Manager developed the Alternative Repowering Revisions (as defined in the Original Power Sales Contracts) and recommended that the Committee acknowledge the Alternative Repowering Revisions, which Alternative Repowering Revisions are attached hereto as Exhibit B (the "Original Power Sales Contract Revisions"); and

WHEREAS, based on the Alternative Repowering Description, the Project Manager developed a modification to the description of the Project in Appendix C to the Renewal Power Sales Contracts (the "Appendix C Revisions"), and recommended that the Committee acknowledge such Appendix C Revisions, which Appendix C Revisions are attached hereto as Exhibit C; and

WHEREAS, Section 44.6.3 of the Original Power Sales Contracts requires that any Alternative Repowering receive all required governmental approvals and other required consents or approvals, including in respect of the governing bodies of the Purchasers, before any such Alternative Repowering is implemented; and

WHEREAS, the Committee is comprised of members representing the various Renewal Purchasers; and

WHEREAS, pursuant to Resolution No. RCCC-2018-001, dated March 13, 2018 and adopted by the Committee (the "Prior RCCC Resolution"), the Committee acknowledged the Alternative Repowering Description, the Original Power Sales Contract Revisions and the Appendix C Revisions; recommended that the IPA Board authorize and direct the General Manager of IPA to provide the Alternative Repowering Description, the Original Power Sales Contract Revisions and the Appendix C Revisions to the Renewal Purchasers in writing; and instructed each member of the Committee to seek the necessary approval of the Renewal Purchasers that each such member of the Committee represents in order for each such member to vote in favor of approving (a) the Alternative Repowering as described in the Alternative Repowering Description; (b) the Original Power Sales Contract Revisions; and (c) the Appendix C Revisions; and

WHEREAS, pursuant to Resolution No. IPA-2018-009, dated March 13, 2018 (the "Prior Board Resolution"), the IPA Board acknowledged the Alternative Repowering Description, the Original Power Sales Contract Revisions and the Appendix C Revisions; and

WHEREAS, pursuant to the Prior RCCC Resolution and the Prior Board Resolution, the General Manager of IPA provided the Alternative Repowering Description, the Original Power Sales Contract Revisions and the Appendix C Revisions to the Renewal Purchasers in writing; and



WHEREAS, pursuant to the Prior RCCC Resolution and the Prior Board Resolution, each member of the Committee obtained the necessary approval of the Renewal Purchasers that each such member of the Committee represents, including all approvals required by such Renewal Purchaser's or Renewal Purchasers' governing bodies, so that each such member is authorized to vote in favor of approving (a) the Alternative Repowering as described in the Alternative Repowering Description; (b) the Original Power Sales Contract Revisions; and (c) the Appendix C Revisions; and

WHEREAS, Mr. Paul Schultz, on behalf of the Project Manager, has delivered a letter dated August \_\_, 2018 (the "Project Manager Recommendation Letter"), to the Committee explaining that the Alternative Repowering as described in the Alternative Repowering Description provides increased benefits and is otherwise advantageous for the Project in substitution for the Gas Repowering, and that the Alternative Repowering as described in the Alternative Repowering Description is capable of supplying the electric generation of the Project, and recommending that the Committee (a) approve (i) the Alternative Repowering as described in the Alternative Repowering Description; (ii) the Original Power Sales Contract Revisions; and (iii) the Appendix C Revisions; and (b) recommend that the IPA Board approve (i) the Alternative Repowering as described in the Alternative Repowering Description; (ii) the Original Power Sales Contract Revisions; and (iii) the Appendix C Revisions; and

WHEREAS, the Project Manager provided a briefing at a meeting of the Committee on August 7, 2018 (the "Project Manager Briefing"), during which the Project Manager described, and explained the basis of, the Project Manager's recommendations, advice and determinations described in the Project Manager Recommendation Letter; and

WHEREAS, the Committee has reviewed and considered the Project Manager Recommendation Letter and the Project Manager Briefing, including the recommendations, advice and determinations of the Project Manager.

NOW, THEREFORE, BE IT RESOLVED, that each member of the Committee hereby ratifies and confirms the accuracy of the Recitals to this Resolution to the extent that such Recitals include statements about the Renewal Purchaser or Renewal Purchasers represented by such member of the Committee; and

BE IT FURTHER RESOLVED, that the Committee hereby approves, and recommends that the IPA Board approve, the Alternative Repowering as described in the Alternative Repowering Description; and

BE IT FURTHER RESOLVED, that the Committee hereby approves, and recommends that the IPA Board approve, the Original Power Sales Contract Revisions; and

BE IT FURTHER RESOLVED, that the Committee hereby approves, and recommends that the IPA Board approve, the Appendix C Revisions; and

BE IT FURTHER RESOLVED, that the Committee hereby confirms and ratifies, and recommends that the IPA Board confirm and ratify, the delegation of authority as set forth in the Prior RCCC Resolution and the Prior Board Resolution, to the Project Manager and the General Manager of IPA, acting jointly, to modify and revise the Original Power Sales Contract Revisions and the Appendix C Revisions as they deem necessary, advisable or appropriate to reflect the Alternative Repowering Revisions contemplated by the Alternative Repowering Description; and

BE IT FURTHER RESOLVED, that the Chairman hereby is authorized and directed by the Committee to execute this Resolution and to do all things necessary to render the same in full force and effect.

INTERMOUNTAIN POWER PROJECT

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CHAIRMAN, RENEWAL CONTRACT  
COORDINATING COMMITTEE

ATTEST:

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SECRETARY

## **EXHIBIT A**

### **ALTERNATIVE REPOWERING DESCRIPTION**

The Alternative Repowering shall include the construction and installation of two combined-cycle natural gas fired power blocks, each power block consisting of one gas turbine, a heat recovery steam generator train and a single steam turbine, with an approximate combined net generation capability of 840 MW, together with auxiliary equipment associated with such power blocks, where "net generation capability" means gross power generation less auxiliary load for generation and transmission support.

## **EXHIBIT B**

### **ORIGINAL POWER SALES CONTRACT REVISIONS**

A footnote hereby is added at the end of the first sentence of Section 44.6 of the Original Power Sales Contracts, to read as follows:

“The Alternative Repowering shall include the construction and installation of two combined-cycle natural gas fired power blocks, each power block consisting of one gas turbine, a heat recovery steam generator train and a single steam turbine, with an approximate combined net generation capability of 840 MW, together with auxiliary equipment associated with such power blocks, where “net generation capability” means gross power generation *less* auxiliary load for generation and transmission support. For the avoidance of doubt, the foregoing shall be in lieu of the construction and installation of the two combined cycle power blocks and related equipment and facilities described in the first and third sentences of Section 44.1 of the Power Sales Contracts.”

## **EXHIBIT C**

### **APPENDIX C REVISIONS**

Section C.1.2 of Appendix C to the Renewal Power Sales Contracts hereby is deleted in its entirety and replaced with the following:

- “C.1.2. Two coal-fueled steam electric generating units each with a nominal rating of 950 megawatts (the “Coal Units”), which Coal Units are to be replaced pursuant to a Major Capital Improvement consisting of the construction and installation of two combined-cycle natural gas fired power blocks, each power block consisting of one gas turbine, a heat recovery steam generator train and a single steam turbine, with an approximate combined net generation capability of 840 MW, where “net generation capability” means gross power generation *less* auxiliary load for generation and transmission support.”