



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

March 8, 2022

**RIVERSIDE CONVENTION CENTER
RIVERSIDE, CALIFORNIA
AND VIA WEBEX**

RENEWAL CONTRACT COORDINATING COMMITTEE PARTICIPATING VOTES

Revised: January 27, 2022

CHAIRMAN – R. DAN ELDREDGE 801-938-1333 dan@ipautah.com	%	Yes	No	Abs	Remarks
BURBANK 164 W. Magnolia Boulevard, Burbank, CA 91502 Dawn Roth Lindell 818-238-3550 drothlindell@burbankca.gov Mandip Samra (Alt) 818-238-3752 msamra@burbankca.gov Scott Mellon (Alt) 818-238-3659 smellon@burbankca.gov	3.334				
GLENDALE 141 N. Glendale Ave, 4 th FL, Glendale, CA 91206 Mark Young (Alt) 818-548-2107 myoung@glendaleca.gov Chie Valdez 818-550-4709 cvaldez@glendaleca.gov	4.167				
LOS ANGELES 111 N. Hope St. Room 1263, Los Angeles CA 90012 Paul Schultz 213-367-2929 Paul.Schultz@ladwp.com Reiko Kerr (Alt) 213-367-0387 Rm 921 Reiko.Kerr@ladwp.com Martin Adams (Alt.) Martin.Adams@ladwp.com	71.442				
UTAH MUNICIPALITIES Eric Larsen (Alt) 435-743-5114 Mobile: 435-253-1536 elarsen@frontiernet.net 210 South 370 East, Fillmore, UT84631	5.737				
BOUNTIFUL Allen Johnson 801-298-6162 ajohnson@bountifulutah.gov 198 South 200 West, Bountiful UT 84010 Gary Hill (Alt) 801-298-6140 ghill@bountifulutah.gov 790 South 100 East, Bountiful UT 84010	1.711				
LOGAN 530 North 800 West, Logan UT 84321 Mark Montgomery 435-716-9744 mark.montgomery@loganutah.org Yuqi Zhao (Alt) 435-716-9738 Yuqi.zhao@loganutah.org	2.491				
MURRAY 153 West 4800 South. Murray UT 84107 Blaine Haacke 801-558-9626 bhaacke@murray.utah.gov Greg Bellon (Alt) 801-330-9974 gbellon@murray.utah.gov	4.036				
REC'S (Bridger Valley, Garkane Energy, Flowell Electric) LaDel Laub (Alt) 435-439-5311 ladell@dixiepower.com Dixie-Escalante, 71 East Hwy 56 Beryl UT 84714	1.713				
DIXIE-ESCALANTE LaDel Laub (Alt) 435-439-5311 ladell@dixiepower.com 71 East Hwy 56, Beryl UT 84714-5197	1.548				
MOON LAKE ELECTRIC ASSOC. 800 West Highway 40, Roosevelt UT 84066 Yankton Johnson 435-722-5409 yjohnson@mleainc.com	2.018				
MT. WHEELER POWER, INC. 1600 Great Basin Blvd, Ely, NV 89301 Kevin Robison (Alt) 755-289-8981 kevinr@mwpower.org	1.803				
TOTAL	100.000				

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. PACIFIC TIME (12:30 P.M. MOUNTAIN TIME) ON TUESDAY, MARCH 8, 2022, AT THE RIVERSIDE CONVENTION CENTER AND VIA WEBEX.

WEBEX MEETING INFORMATION

WebEx Meeting Link:

<https://ladwp.webex.com/ladwp/j.php?MTID=m45c34bae834dda338430b75edfdb91d5>

Meeting number (access code): 2480 847 7000

Meeting password: suE3aAc3NV8

Join by Phone:

[+1-213-306-3065](tel:+1-213-306-3065).,24808477000## United States Toll (Los Angeles)

[+1-415-655-0002](tel:+1-415-655-0002).,24808477000## United States Toll

AGENDA

1. INTRODUCTIONS AND ANNOUNCEMENTS (CAMERON COWAN)
2. CONSIDERATION AND APPROVAL OF THE NOVEMBER 2, 2021 RENEWAL CONTRACT COORDINATING COMMITTEE MEETING MINUTES
3. DISCUSSION OF THE MARCH 8, 2022 INTERMOUNTAIN POWER PROJECT COORDINATING COMMITTEE MEETING (CAMERON COWAN)
4. **RESOLUTION RCCC-2022-001**
CONSIDERATION OF ADOPTION OF HYDROGEN BILLING PROCEDURE (GREG HUYNH)
5. **RESOLUTION RCCC-2022-002**
CONSIDERATION OF APPROVAL OF HYDROGEN CAPACITY PROJECT AS AN ESSENTIAL CAPITAL IMPROVEMENT AND THE HYDROGEN AGREEMENTS (GREG HUYNH)

6. EXECUTIVE SESSION

NOTE: The executive session is for the members of the IPP Renewal Contract Coordinating Committee, the IPA Board and staff, the Operating Agent, the Project Manager and the respective legal counsel to IPA and each of the foregoing. If any attendee of the meeting does not know whether they should be in the executive session, please come forward or contact the IPP Renewal Contract Coordinating Committee Chair, Cameron Cowan, at cameron@ipautah.com before the meeting commences or by using the WebEx "Raise Hand" feature during the meeting before the executive session commences.

7. OTHER BUSINESS

8. TIME AND PLACE OF NEXT SCHEDULED MEETING
11:30 A.M. MDT
MONDAY, MAY 16, 2022
INTERMOUNTAIN POWER SERVICE CENTER
DELTA, UT

1 **DRAFT INTERMOUNTAIN POWER PROJECT**
2 **RENEWAL CONTRACT COORDINATING COMMITTEE MEETING**
3 **MINUTES**
4 **NOVEMBER 2, 2021**

5
6 **MINUTES**
7

8 A meeting of the Intermountain Power Project (IPP) Renewal Contract Coordinating Committee
9 (RCCC) was held on November 2, 2021, at the Park MGM Las Vegas, 3770 Las Vegas Blvd. S,
10 Las Vegas, Nevada, as well as via WebEx. The following participated:

11
12 Dan Eldredge IPA (IPP Chair)
13 Linford Jensen IPA
14 Cameron Cowan IPA
15 Vance Huntley IPA
16 Cody Combe IPA
17 Ryleigh Hair IPA
18 Michelle Miller IPA
19 Bruce Rigby IPA
20 Nick Tatton IPA
21 Joel Eves IPA
22 Saif Mogri IPA Consultant
23 Clay MacArthur Deseret Power
24 Allen Johnson Bountiful
25 Mandip Samra (Alt.) Burbank
26 Scott Mellon (Alt.) Burbank
27 Bob Liu Burbank
28 Chie Valdez Glendale
29 Alina Morshidian Glendale
30 Scott Hughes Hurricane
31 Jon Finlinson IPSC
32 Jon Christensen IPSC
33 Mike Nuttall IPSC
34 Kevin Miller IPSC
35 Mark Shipley IPSC
36 Paul Schultz LADWP
37 Lori Morrish LADWP
38 Greg Huynh LADWP
39 John Aguilar LADWP
40 Paul Fadul LADWP
41 Tamer Ellyahky LADWP
42 Kevin Peng LADWP
43 Luis Jansen LADWP
44 Melia Asucan LADWP
45 Vaughn Minassian LADWP
46 Mark Montgomery Logan

1	Grant Earl	Moon Lake
2	Blaine Haacke	Murray
3	Robert Castro	Pasadena
4	Michael Kourianos	Price City
5	LaDel Laub (Alt.)	REC's & Dixie Escalante
6	Roy Xu	Riverside
7	Eric Larsen (Alt.)	Utah Municipalities
8	Eric Bawden	Holland & Hart
9	Mark Buchi	Holland & Hart
10	Neil Wolk	Orrick Herrington & Sutcliffe
11	Rob Hughes	Parsons, Behle & Latimer
12	John Crandall	Stifel Nicolaus

13

14 **INTRODUCTIONS AND ANNOUNCEMENTS**

15

16 The meeting commenced at 11:30 a.m. conducted by Chair Dan Eldredge. Mr. Eldredge
17 welcomed everyone to the meeting. Mr. Eldredge had the RCCC members and visitors
18 introduced.

19

20 **CONSIDERATION AND APPROVAL OF THE JULY 19, 2021 AND AUGUST 3, 2021**
21 **RENEWAL CONTRACT COORDINATING COMMITTEE MEETING MINUTES**

22

23 Mr. Eldredge asked for a motion to approve the RCCC meeting minutes of July 19, 2021, and
24 August 3, 2021.

25

26 **Mr. Montgomery made a motion to approve the RCCC meeting minutes of July 19,**
27 **2021, and August 3, 2021. Ms. Samra seconded the motion. A vote by all RCCC**
28 **members participating in the virtual meeting was taken and the vote was**
29 **unanimous in the affirmative.**

30

31 **DISCUSSION OF THE NOVEMBER 2, 2021, INTERMOUNTAIN POWER PROJECT**
32 **COORDINATING COMMITTEE MEETING**

33

34 Mr. Eldredge said the RCCC members received reports covered in the IPP Coordinating
35 Committee meeting earlier today.

36

37 Mr. Eldredge asked for questions or comments on the reports. There were none.

38

39 **RESOLUTION RCCC-2021-006 CONSIDERATION OF ADOPTION OF**
40 **AMENDMENTS TO THE HYDROGEN BETTERMENT FUNDING PLAN**

41

42 Mr. Eldredge said Resolution RCCC-2021-006 was covered in a briefing by the Operating Agent
43 on October 27, 2021. Mr. Huynh summarized the information covered in the October 27, 2021,
44 briefing.

1
2 Mr. Eldredge said the RCCC members were present during the discussion in the CC meeting and
3 asked if there was any further discussion or questions on the Resolution. Hearing none, Mr.
4 Eldredge asked for a motion to approve Resolution RCCC-2021-006.

5
6 **Based on the previous discussion in the CC meeting and in the absence of further**
7 **discussion or questions, Mr. Schultz made a motion to approve Resolution RCCC-**
8 **2021-006. Mr. Haacke seconded the motion. A vote by all RCCC members**
9 **participating in the meeting was taken and the vote was unanimous in the**
10 **affirmative.**

11
12 **RESOLUTION RCCC-2021-007 CONSIDERATION OF APPROVAL AND**
13 **RECOMMENDATION FOR APPROVAL OF SECOND AMENDED AND RESTATED**
14 **POWER SUPPLY REVENUE BOND RESOLUTION**

15
16 Mr. Eldredge said Resolution RCCC-2021-007 was covered in a briefing by the Operating Agent
17 on October 27, 2021. Mr. Huynh summarized the information covered in the October 27, 2021,
18 briefing.

19
20 Mr. Eldredge said the RCCC members were present during the discussion in the CC meeting and
21 asked if there was any further discussion or questions on the Resolution. Hearing none, Mr.
22 Eldredge asked for a motion to approve Resolution RCCC-2021-007.

23
24 **Based on the previous discussion in the CC meeting and in the absence of further**
25 **discussion or questions, Mr. Larsen made a motion to approve Resolution RCCC-**
26 **2021-007. Mr. Mellon seconded the motion. A vote by all RCCC members**
27 **participating in the meeting was taken and the vote was unanimous in the**
28 **affirmative.**

29
30 **EXECUTIVE SESSION**

31
32 There was none.

33
34 **OTHER BUSINESS**

35
36 There was none.

37
38 Mr. Eldredge thanked everyone for their participation and asked for a motion to adjourn the
39 meeting.

40
41 **Mr. Schultz made a motion to adjourn. Mr. Montgomery seconded the motion. A**
42 **vote by all RCCC members participating in the meeting was taken and the vote was**
43 **unanimous in the affirmative. Meeting adjourned at 11:50 a.m.**
44

1 **TIME AND PLACE OF NEXT MEETINGS**

2

3 Tuesday, March 8, 2022, at 11:30 a.m., Riverside, California.

4

5 Minutes taken by Michelle Miller.

6

7

RESOLUTION

RCCC-2022-001

ADOPTION OF HYDROGEN BILLING PROCEDURE

On motion of _____, seconded by _____, at a meeting of the Intermountain Power Project (“IPP”) Renewal Contract Coordinating Committee (the “Renewal Committee”) held March 8, 2022, the following Resolution was duly adopted:

WHEREAS, Intermountain Power Agency (“IPA”) is a party with the Purchasers (as defined in such Power Sales Contracts) to those certain Power Sales Contracts, dated as of September 28, 1978 for the Utah Purchasers (as defined in such Power Sales Contracts) and August 6, 1980 for the California Purchasers (as defined in such Power Sales Contracts) (such Power Sales Contracts, as amended, including, without limitation, by the Second Amendatory Power Sales Contracts dated December 8, 2015, being, collectively, the “Power Sales Contracts”); and

WHEREAS, IPA is also a party to those certain Renewal Power Sales Contracts, dated as of January 16, 2017 (as amended and updated, the “Renewal Power Sales Contracts”) with those Purchasers that (i) accepted the Renewal Offer (as defined in the Power Sales Contracts) and (ii) did not subsequently terminate their Renewal Power Sales Contract pursuant to Section 42.1 of the Renewal Power Sales Contracts; and

WHEREAS, IPA is engaged in the Alternative Repowering, which includes the repowering of IPP with combined-cycle natural gas turbines, as approved pursuant to Resolution Nos. CC-2018-010, RCCC-2018-004, and IPA-2018-019; and

WHEREAS, the combustor technology in the gas turbines to be installed as part of the Alternative Repowering will be capable of burning natural gas blended with hydrogen (the “Hydrogen Capability”); and

WHEREAS, utilizing the Hydrogen Capability requires that IPA secure a reliable supply of hydrogen for delivery to IPP; and

WHEREAS, the Operating Agent has negotiated, on behalf of IPA, the terms of an Energy Storage Services and Conversion Agreement (the “ESSCA”) with Advanced Clean Energy Storage I, LLC (“ACES I”) to design, build, finance, operate, and maintain a facility that will convert renewable energy into hydrogen, and store that “green hydrogen” in salt caverns for later withdrawal by IPA (the “ACES Facility”); and

WHEREAS, the Operating Agent also negotiated, on behalf of IPA, the terms of an agreement with the parent entity of ACES I, ACES Delta, LLC (the “Parent Agreement”), which, among other things, provides IPA with the right to store hydrogen produced by third parties at the ACES Facility (the ESSCA and the Parent Agreement are collectively referred to as the “ACES Agreements”); and

WHEREAS, IPA will not incur any charges under the ACES Agreements until the ACES Facility is substantially complete, which is expected no sooner than October 1, 2024; and

WHEREAS, the Operating Agent is of the opinion that (i) all costs incurred by IPA pursuant to the ACES Agreements should be borne only by those Purchasers that intend to utilize the energy conversion and storage capacity provided by the ACES Facility, and (ii) all costs incurred by IPA pursuant to other agreements providing for the production or supply of hydrogen that are approved and designated as a “Hydrogen Agreement” pursuant to the amendment process set forth in Section VIII.8 of the billing procedure described below, if any, should be borne only by those Purchasers that intend to utilize such production and supply (such other agreements, if any, together with the ACES Agreements, the “Hydrogen Agreements”); and

WHEREAS, the Operating Agent has prepared a procedure, attached as Exhibit A to Resolution No. CC-2022-006 of the IPP Coordinating Committee (such resolution being the “CC Resolution” and such procedure being the “Hydrogen Billing Procedure”), which is designed and intended to allocate the costs incurred by IPA pursuant to the Hydrogen Agreements to the Lead Hydrogen Sponsor (as defined in the Hydrogen Billing Procedure) and only those other Purchasers that affirmatively express their intent to become “Hydrogen Purchasers” pursuant to the Hydrogen Billing Procedure (such Purchasers, “Hydrogen Purchasers”); and

WHEREAS, the Operating Agent has prepared the Hydrogen Billing Procedure in conjunction with IPA, and it is expressly understood and acknowledged that the Hydrogen Billing Procedure is structured in such a way as to provide a basis for passing through costs of the Hydrogen Agreements to the Hydrogen Purchasers, upon which basis IPA may rely to enter into the Hydrogen Agreements; and

WHEREAS, as described in the Hydrogen Billing Procedure, IPA may require the Hydrogen Purchasers to enter into additional agreements with IPA, providing for the payment of certain costs under the ESSCA, prior to actually utilizing the conversion and storage capacity provided by the ACES Facility; and

WHEREAS, the Renewal Committee has received a letter dated February 25, 2022 from Mr. Gregory S. Huynh on behalf of the Operating Agent (the “Operating Agent Recommendation Letter”) recommending that the IPP Coordinating Committee and Renewal Committee adopt, and recommend that the IPA Board of Directors (the “IPA Board”) adopt, the Hydrogen Billing Procedure; and

WHEREAS, the Operating Agent provided a briefing on conference calls on February 8 and March 1, 2022, and at a meeting of the Renewal Committee on March 8, 2022 (collectively, the “Operating Agent Briefing”), during which the Operating Agent described and explained the basis of the Operating Agent’s recommendations, advice and determinations as set forth herein; and

WHEREAS, the Renewal Committee has reviewed and considered the Operating Agent Recommendation Letter and the Operating Agent Briefing, including the recommendations, advice and determinations of the Operating Agent.

NOW, THEREFORE, BE IT RESOLVED, that the Renewal Committee hereby adopts, and recommends that the IPA Board adopt, the Hydrogen Billing Procedure attached as Exhibit A to the CC Resolution; and

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

INTERMOUNTAIN POWER PROJECT

CHAIRMAN, RENEWAL CONTRACT
COORDINATING COMMITTEE

ATTEST:

SECRETARY

RESOLUTION

RCCC-2022-002

APPROVAL OF HYDROGEN CAPACITY PROJECT AS A CAPITAL IMPROVEMENT AND THE ACES AGREEMENTS

On motion of _____, seconded by _____, at a meeting of the Intermountain Power Project (“IPP”) Renewal Contract Coordinating Committee (the “Renewal Committee”) held March 8, 2022, the following Resolution was duly adopted:

WHEREAS, Intermountain Power Agency (“IPA”) is a party with the Purchasers (as defined in such Power Sales Contracts) to those certain Power Sales Contracts, dated as of September 28, 1978 for the Utah Purchasers (as defined in such Power Sales Contracts) and August 6, 1980 for the California Purchasers (as defined in such Power Sales Contracts) (such Power Sales Contracts, as amended, including, without limitation, by the Second Amendatory Power Sales Contracts dated December 8, 2015, being, collectively, the “Power Sales Contracts”); and

WHEREAS, IPA is also a party to those certain Renewal Power Sales Contracts, dated as of January 16, 2017 (as amended and updated, the “Renewal Power Sales Contracts”) with those Purchasers that (i) accepted the Renewal Offer (as defined in the Power Sales Contracts) and (ii) did not subsequently terminate their Renewal Power Sales Contract pursuant to Section 42.1 of the Renewal Power Sales Contracts; and

WHEREAS, IPA is engaged in the Alternative Repowering, which includes the repowering of IPP with combined-cycle natural gas turbines, as approved pursuant to Resolution Nos. CC-2018-010, RCCC-2018-004, and IPA-2018-019; and

WHEREAS, the combustor technology in the gas turbines to be installed as part of the Alternative Repowering will be capable of burning natural gas blended with hydrogen (the “Hydrogen Capability”); and

WHEREAS, utilizing the Hydrogen Capability requires that IPA secure a reliable supply of hydrogen for delivery to IPP; and

WHEREAS, the Operating Agent has negotiated, on behalf of IPA, the terms of an Energy Storage Services and Conversion Agreement (the “ESSCA”) with Advanced Clean Energy Storage I, LLC (“ACES I”) to design, build, finance, operate, and maintain a facility (the “ACES Facility”) that will convert renewable energy into “green” hydrogen, and store that green hydrogen in salt caverns for later withdrawal by IPA (the “Conversion and Storage Capacity”); and

WHEREAS, the Operating Agent also negotiated, on behalf of IPA, the terms of an agreement with the parent entity of ACES I, ACES Delta, LLC (the “Parent Agreement”), which, among other things, provides IPA with the right to store hydrogen produced by third parties at the ACES Facility; and

WHEREAS, the Operating Agent has determined the following (the “Capital Improvement Determinations”): effective as of June 15, 2027, the Conversion and Storage Capacity provided under the ESSCA and the Parent Agreement (the “Hydrogen Capacity Project”) (a) constitutes contract rights that are necessary or incidental in the useful construction or operation of the Generation Station, (b) constitutes a renewal or replacement of or repair, addition, improvement, modification or betterment to the Project (as defined in the Renewal Power Sales Contract), that is (i) consistent with Prudent Utility Practice and necessary and/or desirable in order to keep the Project or any interest in the Project in good operating condition, to prevent a loss of revenue therefrom, or to increase the capacity, reliability or usefulness of the Project or any interest therein, (ii) required by any governmental agency having jurisdiction over the Project, (iii) required by the Construction Management and Operating Agreement, or (iv) required by any Bond Resolution, (c) does not include any generating unit added to the Project in addition to those included in the Project which continue to generate electric capacity and energy of the Project, and (d) is properly designated as an Ordinary Capital Improvement (as defined in the Renewal Power Sales Contracts); and

WHEREAS, the Renewal Committee has received a letter dated March 5, 2022 from Mr. Gregory S. Huynh on behalf of the Operating Agent (the “Operating Agent Recommendation Letter”) recommending the following:

1. That the IPP Coordinating Committee (the “Committee”) make the Capital Improvement Determinations with respect to the Hydrogen Capacity Project;
2. That the Committee, pursuant to Section 6.2.17 of the Power Sales Contracts and Section 4.17 of the Renewal Power Sales Contracts, approve the Hydrogen Capacity Project as a Capital Improvement (as defined in the Renewal Power Sales Contracts) and designate the Hydrogen Capacity Project as an Ordinary Capital Improvement under the Renewal Power Sales Contracts;
3. That the Committee approve and authorize, and recommend that the IPA Board of Directors (“IPA Board”) approve and authorize, the Operating Agent to execute and deliver the ESSCA and the Parent Agreement (together, the “ACES Agreements”) on behalf of IPA; and
4. That the Committee approve, pursuant to Section 6.2.17 of the Power Sales Contracts, the payment and financing of all costs of the Hydrogen Capacity Project, including but not limited to costs incurred under the ACES Agreements and the funding of the Hydrogen Contingency Reserve, pursuant to the Hydrogen Billing Procedure adopted pursuant to Resolution Nos. CC-2022-006, RCCC-2022-001 and IPA-2022-006; and
5. That the Renewal Committee approve and concur with each of the foregoing (the foregoing being the “Committee Actions”).

WHEREAS, the Operating Agent provided a briefing on conference calls on February 8 and March 1, 2022, and at a meeting of the Renewal Committee on March 8, 2022 (collectively, the “Operating Agent Briefing”), during which the Operating Agent described and explained the

basis of the Operating Agent's recommendations, advice and determinations as set forth herein;
and

WHEREAS, the Renewal Committee has reviewed and considered the Operating Agent Recommendation Letter and the Operating Agent Briefing, including the recommendations, advice and determinations of the Operating Agent.

NOW, THEREFORE, BE IT RESOLVED, that the Renewal Committee hereby approves and concurs with each of the Committee Actions; and

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

INTERMOUNTAIN POWER PROJECT

CHAIRMAN, RENEWAL CONTRACT
COORDINATING COMMITTEE

ATTEST:

SECRETARY