

**COLORADO RIVER COMMISSION OF NEVADA
AGENDA ITEM I
FOR MEETING OF AUGUST 13, 2019**

SUBJECT:

For Possible Action: Consideration of and possible action to approve Contract No. P08-SLCESC between the Colorado River Commission of Nevada and Valley Electric Association, Inc., for the Sale of Electric Power from the Salt Lake City Area Integrated Projects through September 30, 2057.

RELATED TO AGENDA ITEM: F, G, H

RECOMMENDATION OR RECOMMENDED MOTION:

Staff recommends that the Commission approve Contract No. P08-SLCESC between the Colorado River Commission of Nevada and Valley Electric Association, Inc., for the Sale of Electric Power from the Salt Lake City Area Integrated Projects through September 30, 2057.

FISCAL IMPACT:

None.

STAFF COMMENTS AND BACKGROUND:

CRCNV's current contracts with the Western Area Power Administration (WAPA) and with its customers for SLCAIP hydropower expire on September 30, 2024. WAPA began the process for the post-2024 allocations in 2015 and the CRCNV has been offered a contract through September 30, 2057 which contains the same allocation amounts it currently holds - 20,851 kW of capacity and 37,944,500 kWh of energy (Summer Season) and 27,414 kW of capacity and 50,267,119 kWh of energy (Winter Season).

At its February 12, 2019 meeting, the Commission approved the continued allocation of SLCAIP power to its current SLCAIP customers at their current levels as follows:

	Summer		Winter	
	Capacity	Energy	Capacity	Energy
Applicants	kW	kWh	kW	kWh
City of Boulder City	5,537	10,075,242	7,279	13,347,215
Overton Power District No. 5	6,279	11,427,163	8,256	15,138,176
Valley Electric Association, Inc.	9,035	16,442,095	11,879	21,781,728
Total:	20,851	37,944,500	27,414	50,267,119

Order of the CRCNV - In the Matter Of: Allocation of Salt Lake City Area Integrated Projects (SLCAIP) Hydropower Post 2024 dated February 13, 2019 is attached to Item F.

Subsequent to the February meeting, staff and legal counsel to the Commission finalized contracts with its SLCAIP customers. Those contracts have been presented to the customers' governing bodies, have been approved by those bodies and executed by the appropriate individuals.

AGENDA ITEM I (CONTINUED)

STAFF COMMENTS AND BACKGROUND:

WAPA has provided its contract to the Commission for approval and execution. It will execute the contract after Commission approval.

**STATE OF NEVADA
COLORADO RIVER COMMISSION OF NEVADA**



Contract No. P08-SLCESC

between the

COLORADO RIVER COMMISSION OF NEVADA

and

VALLEY ELECTRIC ASSOCIATION, INC.

for the

**SALE OF ELECTRIC POWER FROM THE
SALT LAKE CITY AREA INTEGRATED PROJECTS**

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1. **PREAMBLE.** This CONTRACT FOR SALE OF ELECTRIC POWER FROM THE SALT LAKE CITY AREA INTEGRATED PROJECT, hereinafter referred to as the "Contract," is made by and between the State of Nevada, acting by and through its **COLORADO RIVER COMMISSION of NEVADA**, hereinafter referred to as the CRCNV or the Commission, created by and existing pursuant to state law, the CRCNV acting both as principal in its own behalf and as an agent in behalf of the state, and **VALLEY ELECTRIC ASSOCIATION, INC.**, a corporation organized under the laws of the State of Nevada, its successors and assigns, hereinafter referred to as the CONTRACTOR, each sometimes hereinafter individually called "Party", and both sometimes hereinafter collectively called "Parties."

2. **EXPLANATORY RECITALS.**

2.1 The United States Bureau of Reclamation (Reclamation) operates certain Federal hydroelectric facilities known as the Collbran Project, Rio Grande Project, and the Colorado River Storage Project.

2.2 The Western Area Power Administration (WAPA) refers to the hydroelectric facilities of the Collbran Project, Rio Grande Project, and the Colorado River Storage Project collectively as the Salt Lake City Area Integrated Projects, hereinafter called "SLCA Integrated Projects" or "SLCAIP."

2.3 WAPA markets and transmits hydroelectric power generated at the SLCA Integrated Projects pursuant to the Act of Congress approved June 17, 1902 (32 Stat. 388), the Act of Congress approved February 25, 1905 (33 Stat. 814), the Reclamation Project Act of August 4, 1939 (53 Stat. 1187), the Flood Control Act of December 22, 1944 (58 Stat. 887), the Act of Congress approved July 3, 1952 (66 Stat. 325), the Act of Congress approved April 11, 1956 (70 Stat. 105), the Act of Congress approved August 4, 1977 (91 Stat. 565), and acts amendatory or supplementary to the foregoing Acts by the United States of America.

2.4 Existing contracts between WAPA and the CRCNV for the hydroelectric power generated at the SLCA Integrated Projects expire on September 30, 2024. WAPA published its Proposed 2025 Marketing Plan on December 16, 2015 (80 FR 78222), for the marketing of SLCA Integrated Projects' hydroelectric power and energy for a period beginning October 1, 2024.

2.5 In the Federal Register dated November 29, 2016, (81 FR 85946), WAPA announced its Final 2025 Salt Lake City Area Integrated Projects Marketing Plan extending existing capacity and energy allocations to existing Contractors of SLCA Integrated Projects, including the CRCNV, while recognizing additional project development may occur in future years. It also provided for establishing a new Firm Electric Service contract based upon the existing SLCA Integrated Projects contract.

2.6 WAPA will deliver SLCAIP power to Pinnacle Peak. WAPA and the CRCNV intend to enter into a separate firm transmission service contract from Pinnacle Peak to Parker Davis points of delivery, for transmission service commencing October 1, 2024 (the "WAPA Transmission Agreement"). The WAPA Transmission Agreement will provide for transmission service to be provided for the full amount of the CRCNV's SLCA Integrated Projects allocation and paid at the Parker-Davis Firm Transmission Rate in effect at the time service is taken.

2.7 Pursuant to NRS 538.161 and 538.181, the CRCNV has the authority to hold and administer the State's rights to distribution of power from the SLCA Integrated Projects, and to represent and act for the State of Nevada in contracting for electric power "for the greatest possible benefit to this state."

2.8 The CRCNV is executing a contract with WAPA for post 2024 SLCA Integrated Projects power and on February 13, 2019 the Commission of the CRCNV issued its Order allocating Nevada's share of the power from the SLCA Integrated Projects, pursuant to NRS and NAC chapter 538 to its Contractors.

2.9 The Contractor, herein, desires to purchase SLCA Integrated Projects power from the CRCNV beginning October 1, 2024.

WHEREFORE, IN CONSIDERATION OF the mutual promises contained herein, the Parties agree as follows:

3. **DEFINITIONS.** As used in this Contract, the following terms have the meanings ascribed to them in the following subsections:

3.1 Allocated Capacity: The capacity from the SLCA Integrated Projects allocated to the Contractor by the CRCNV in this Contract and shown in Exhibit 1.

3.2 Allocated Energy: The energy from the SLCA Integrated Projects allocated to the Contractor by the CRCNV in this Contract and shown in Exhibit 1.

3.3 Allocated Transmission Capacity: The transmission capacity from the Parker-Davis System needed by Contractor to deliver Allocated Capacity and Allocated Energy under this Contract.

3.4 Available Hydro Power (AHP): is the maximum amount of hydroelectric capacity and energy that will be made available to the Contractor monthly as determined by the CRCNV pursuant to WAPA's calculations based on prevailing water release conditions.

3.5 AHP Capacity: The amount of capacity, expressed in kilowatts ("KW"), which are available to the Contractor under this Contract for scheduling each month.

3.6 AHP Energy: The amounts of energy, expressed in kilowatt-hours ("KWH"), which are available to the Contractor under this Contract for scheduling each month.

3.7 Authorized Representative: A representative of a Party designated as an Authorized Representative in accordance with section 19 and identified in Exhibit 3.

3.8 Balancing Authority (BA): The responsible entity that integrates resource plans ahead of time, maintains load-interchange-generation balancing within a balancing authority area, supports interconnection frequency and other ancillary services in real time.

3.9 Balancing Authority Area (BAA): The area in which integrated generation and transmission facilities are controlled by a Balancing Authority.

3.10 Billing Period: The period beginning on the first Day of any calendar month and extending through the last Day of any calendar month during the term of this Contract.

3.11 Commission: The Colorado River Commission of Nevada (CRCNV) or the Executive Director of the Commission, acting on behalf of the Commission.

3.12 Contractor: The Party identified in the Preamble that has a fully executed contract with the CRCNV for SLCA Integrated Projects power.

3.13 Contract Rate of Delivery (CROD): The maximum level of long-term capacity that the Contractor is entitled to receive in each Season as set forth in Section 5.3 and in Exhibit 1 of this Contract. The CROD is the Contractor's allocated share of the SLCA Integrated Projects marketing commitment level established for each Season through the term of this Contract. CROD is met first with the Contractor's AHP, and then with Customer Displacement Power or Western Replacement Power, or a combination thereof.

3.14 CRCNV: The Colorado River Commission of Nevada.

3.15 Contractor Displacement Power (CDP): The amount of supplemental power acquired or generated by the Contractor on its own behalf, or by a third party on behalf of Contractor, which if provided by Contractor under Section 5.7 may be used, as required, as part of the Contractor's CROD and Monthly Energy within a given period.

3.16 CRCNV Electric Utility Contractor: A Contractor that is listed as a CRCNV Electric Utility Contractor in Exhibit 5.

3.17 CRCNV Contractor that is not an Electric Utility: A Contractor that is listed as a CRCNV Contractor that is not an Electric Utility in Exhibit 5.

3.18 CRCNV Interconnection Agreement: The Agreement between the Contractor and the CRCNV to provide continuous or backup transmission service over the Parker-Davis Project Southern Nevada Facilities, or a direct interconnection to the Parker-Davis Project Southern Nevada Facilities.

3.19 CRCNV Scheduling, Accounting and Billing Procedures (CRCNV SABPs): The CRCNV's scheduling, accounting and billing procedures dated as of October 1, 2018, developed in accordance with NAC Chapter 538 and revised from time to time.

3.20 CRCNV SLCAIP Transmission Agreement: The Agreement between the CRCNV and the Contractor to take and pay for transmission service from Pinnacle Peak on the SLCAIP Transmission system, to one or more of the southern Nevada delivery points on the Parker-Davis Project Southern Nevada Facilities.

3.21 Day: A calendar day.

3.22 Electric Power: The electric capacity and energy that the CRCNV provides to Contractor under this Contract.

3.23 Environmental Attributes: The environmental characteristics that are attributable to a renewable energy resource, or to renewable energy from such a renewable energy resource, and shall include, but not be limited to, renewable energy or tax credits, offsets and benefits; green tags (regardless of how any present or future law or regulation attributes or allocates such characteristics); and any reporting rights associated with any

of the foregoing. Where practicable, such Environmental Attributes (such as renewable energy credits) shall be expressed in megawatt hours (MWh), with one (1) MWh of Environmental Attributes produced for each one (1) MWh of energy generated by the renewable energy resource.

3.24 Fiscal Year: The twelve (12) month period so designated by federal law, currently commencing October 1 of each year.

3.25 Lay Off Power: Electric Power made available temporarily to the CRCNV from a Contractor that is unable to use a portion of its allocation.

3.26 Long-Term Western Replacement Power (Long-Term WRP): WAPA Replacement Power acquired by the CRCNV, on behalf of the Contractor and at the Contractor's expense, for a specified period of at least one year pursuant to subsection 5.6, which may be used, as required, as part of the Contractor's AHP within a given period.

3.27 Minimum Hourly Delivery: The minimum amounts of capacity which the Contractor must accept each hour of each month of each season, unless modified pursuant to paragraph 6.5.2.

3.28 Monthly Energy: the maximum quantity of total firm energy expressed in kilowatt-hours (kWh) that WAPA is committed to deliver and the Contractor is entitled to receive each month including AHP, WRP, and CDP.

3.29 NAC: Nevada Administrative Code.

3.30 NRS: Nevada Revised Statutes.

3.31 Parties or Party: Parties means collectively the CRCNV and the Contractor, and each of the CRCNV or the Contractor is a Party.

3.32 P-DP SNF: The Parker-Davis Project Southern Nevada Facilities, which are the WAPA-owned facilities, structures, equipment, land and/or right(s)-of-way at the 230-kV Switchyard (Henderson Switching Station); the Amargosa Substation; the Boulder City Tap; the Mead-Basic 230-kV Transmission Line; the Mead-Arizona/Nevada (States) Switchyard 230-kV Transmission Line; and any additions, upgrades or betterments that become an integral part of the Southern Nevada Facilities.

3.33 Points of Delivery: The point(s) identified in Exhibit 2 at which Electric Power is delivered to the Contractor or the Contractor's agent.

3.34 Scheduling Entity: The entity responsible for scheduling Contractor's Electric Power to serve load that is designated in accordance with subsection 6.2.

3.35 Season or Seasonal: Summer or Winter Season.

3.36 Seasonal Western Replacement Power (Seasonal WRP): WAPA Seasonal Replacement Power acquired by the CRCNV, on behalf of the Contractor and at the Contractor's expense, during a Season or shorter period of time, pursuant to Section 5.6, which will be used, as required, as part of the Contractor's AHP within a given period.

3.37 SLCA Integrated Projects or SLCAIP: The Salt Lake City Area Integrated Projects presently composed of the Collbran, Rio Grande, and the Colorado River Storage projects operated by the United States Bureau of Reclamation and marketed and transmitted by the United States Department of Energy through the Western Area Power Administration.

3.38 Summer Season: The six (6) month period from the first day of the April billing period through the last day of the September billing period of any calendar year.

3.39 Staff: Staff of the CRCNV.

3.40 State: The state of Nevada.

3.41 Sustainable Hydropower (SHP): is a level of long-term operable SLCA Integrated Projects hydroelectric capacity with energy projected at an acceptable risk level by WAPA.

3.42 WAPA: The Western Area Power Administration of the United States Department of Energy, or its successor organization(s).

3.43 WAPA Scheduling, Accounting and Billing Procedures (WAPA SABPs): WAPA's Scheduling, Accounting and Billing procedures.

3.44 WAPA Transmission Agreement: The Agreement WAPA and the CRCNV intend to enter into to provide firm transmission service from Pinnacle Peak to Parker Davis points of delivery, for transmission service commencing October 1, 2024.

3.45 Western Replacement Power (WRP): The supplemental power requested by the Contractor to be acquired by the CRCNV from WAPA pursuant to the CRCNV's SLCAIP Contract, on behalf of the Contractor and at the Contractor's expense, as part of the Contractor's AHP within a given period in accordance with subsections 5.5 and 5.6. The term includes both Seasonal WRP and/or Long- Term WRP.

3.46 Winter Season: The six (6) month period from the first day of the October billing period of any calendar year through the last day of the March billing period of the following calendar year.

4. TERM OF CONTRACT.

4.1 Effective Date. This Contract shall become effective when executed, for Electric Power to be delivered beginning on October 1, 2024.

4.2 Conditions Precedent:

4.2.1 A condition precedent to the Contractor's obligations under this Contract is the existence of the valid, binding and effective WAPA Transmission Agreement or other suitable transmission arrangement.

4.2.2 Conditions precedent to CRCNV's obligations under this Contract are:

4.2.2.1 Contractor must enter into a new contract, prior to June 1, 2024, with the CRCNV to take and pay for transmission service from Pinnacle Peak, to one or more of the southern Nevada delivery points on the P-DP SNF.

4.2.2.2 A Contractor utilizing continuous or backup transmission service over the P-DP SNF, or a Contractor directly interconnected to the P-DP SNF, must enter into a contract with the CRCNV to take and pay for service over those facilities prior to June 1, 2024 for power deliveries beginning on October 1, 2024.

4.3 Term of Contract. This Contract shall remain in effect through September 30, 2057 unless this Contract is terminated earlier as provided in sections 16 and 17.

5. ELECTRIC POWER TO BE FURNISHED.

5.1 Delivery and Acceptance of Electric Power. The CRCNV shall provide, and Contractor shall accept, Electric Power, in accordance with the terms of this Contract, at the Point(s) of Delivery and voltage(s) identified in Exhibit 2, subject to the transmission arrangements and operational requirements applied pursuant to the CRCNV's regulations and the requirements set forth in this Contract.

5.2 Allocated Capacity, Allocated Energy and Allocated Transmission Capacity.

5.2.1 The Contractor's amounts of Allocated Capacity and Allocated Energy are shown by seasons in Exhibit 1.

5.2.2 The Contractor's expected amounts of Allocated Transmission Capacity are shown by seasons in Attachment 1 to Exhibit 1.

5.3 Availability of Electric Power and Transmission Capacity. The availability of Electric Power to the Contractor under this Contract is subject to the delivery of Electric Power and the availability of Transmission Capacity to the CRCNV under the CRCNV's SLCAIP Contract.

5.3.1 The CRCNV may revise the amount of the Contractor's Allocated Capacity and/or Allocated Energy due to changes in the CRCNV's CROD or SHP by WAPA. The CRCNV shall notify the Contractor as soon as practicable after any change is provided to the CRCNV by WAPA.

5.3.2 The CRCNV will revise the Allocated Capacity and/or Allocated Energy on a pro-rata basis based on the Contractor's sharing percentage shown in Exhibit 1.

5.3.3 If the Allocated Capacity and Allocated Energy are changed in accordance with Section 5.3.1, the CRCNV will provide a revised Exhibit 1.

5.4 Contractor's Available Hydro Power (AHP). The CRCNV shall determine the Contractor's AHP in any Billing Period by multiplying the Contractor's Capacity and Energy sharing percentage shown in Exhibit 1 by the amount of the CRCNV's Available Hydro Power received by the CRCNV from WAPA for that period under the CRCNV's SLCAIP Contract.

5.4.1 The Contractor's amounts of AHP shall be as set forth in an Attachment 1 to Exhibit 1 which will be revised for each period.

5.4.2. If WAPA increases or reduces the amount of the CRCNV's AHP, the CRCNV shall increase or reduce the Contractor's AHP correspondingly on a pro-rata basis. The CRCNV will provide a notification, as soon as practicable, to the Contractor of such changes in AHP and will revise Attachment 1 to Exhibit 1.

5.5 Acquisition of Western Replacement Power or Contractor Displacement Power. The CRCNV shall notify the Contractor as soon as practicable after the information is provided to the CRCNV by WAPA, of the maximum amount of hydroelectric capacity and energy from the SLCA Integrated Projects that will be made available to the CRCNV in the upcoming season under the CRCNV's SLCAIP Contract. If the amount of that capacity and energy, is less than an amount equal to the Contractor's Allocated Capacity and Allocated Energy; the Contractor may purchase Seasonal WRP, or Long-Term WRP or acquire Contractor Displacement Power.

5.6 Western Replacement Power (WRP). The procedure for purchasing Seasonal or Long Term WRP is provided in this subsection and CRCNV's SABPs.

5.6.1 The notice of AHP provided to the Contractor pursuant to subsection 5.5 will contain WAPA's estimated rate for the cost of purchasing either Seasonal or Long Term WRP.

5.6.2 If the Contractor requests the CRCNV to purchase Seasonal or Long Term WRP from WAPA, the Contractor shall, by the deadline specified by the CRCNV, provide in writing the amount of Seasonal or Long Term WRP, requested by month and provide authorization for the CRCNV to purchase WRP on its behalf for the requested time period. For Long Term WRP, the Contractor must specify the maximum rate it would be willing to pay for the Long Term WRP.

5.6.3 The amount of the capacity and energy components of Seasonal and/or Long Term WRP for a particular time period, when combined with all other available capacity and energy must not exceed the Contractor's Allocated Capacity, under this contract, for that time period.

5.6.4 The Contractor's written authorization constitutes a commitment by the Contractor to pay the cost of the Seasonal, and/or Long Term WRP.

5.6.5 Upon receipt of the written authorization for WRP from the Contractor, the CRCNV shall attempt to purchase the requested WRP from WAPA. If the power is not available for purchase from WAPA under essentially the same terms as anticipated, the CRCNV shall notify the Contractor as soon as practicable. The Contractor may then rescind its request for WRP upon immediate written notification to the CRCNV in accordance with the time frames provided.

5.6.6 Advancement of Funds for WRP. If WAPA requires an advancement of funds for WRP, the CRCNV shall notify and invoice the Contractor for the advance payment. Payment by the Contractor will be due by the date indicated on the invoice.

5.6.7 If requested by the Contractor, the CRCNV shall attempt to sell any energy associated with Long-Term WRP that is more than the Contractor's needs. If the CRCNV sells that energy, the CRCNV shall credit the Contractor's charges for Long-Term WRP with any money obtained, less the CRCNV's costs, if any, to provide this service.

5.7 Contractor Displacement Power (CDP). The procedure for utilizing Contractor Displacement Power is provided in this subsection.

5.7.1 The Contractor may, individually or in association with other Contractors, furnish notice to the CRCNV that it wishes to provide to the CRCNV, for delivery to the Contractor, CDP for a portion or all of the power, above the Contractor's Available Hydro Power and Western Replacement Power, needed up to the Contractor's Allocated Capacity and for which it has not otherwise provided authorization for WRP.

5.7.2 The notice required by paragraph 5.7.1, must contain the source and point of receipt of power; the amount of power to be provided; the initial month of delivery; the commitment length, which can be no longer than the Contractor's commitment to the resource designated at WAPA's point of receipt; the

designation of the scheduling entity; any prescheduling and scheduling requirements and restrictions; and any other pertinent information requested by the CRCNV. The CRCNV shall forward the notice to WAPA, and WAPA will determine its ability to accept the CDP for delivery to the CRCNV in accordance with applicable provisions of the CRCNV's SLCAIP Contract. The CRCNV shall notify the Contractor of that determination.

5.7.3 The Contractor may request a change or modification to the sources or conditions of CDP at any time prior to or during a season by notifying the CRCNV.

5.7.4 The Contractor is responsible for making all arrangements necessary for the acquisition or generation of CDP and for the provision of that power to WAPA and the CRCNV for delivery to the Contractor. The Contractor is responsible for all costs associated with those arrangements. The CRCNV is not responsible for firming CDP purchases made by the Contractor.

5.8 Operating Reserves: To the extent that the CDP or WRP acquired by or for the Contractor from a third-party purchase includes the provision of spinning or supplemental reserves, the CRCNV shall, upon agreement by the BAA, allow the Contractor to claim such reserves from any unscheduled portion of CDP or WRP.

6. CONDITIONS OF DELIVERY OF ELECTRIC POWER.

6.1 Principles of Use:

6.1.1 Contractor will, in its use of Electric Power provided under this Contract, comply with the CRCNV's regulations set forth in NAC chapter 538 and with the CRCNV SABPs.

6.1.2 Contractor transactions with independent system operators, regional transmission organizations and BAs, and their successor organizations, shall not constitute resale under NAC 538.540.

6.1.3 With the prior approval of the Commission of the CRCNV, Contractor may, subject to the provisions of this section and NAC chapter 538, also engage in transactions that pertain to this Contract with an entity or entities other than the entities listed in 6.1.2 above, that coordinate, control, monitor, or support operations of, or act as a marketplace operator in wholesale power for, or procure products and services on behalf of, any such entity.

6.1.4 Each Contractor that is not a CRCNV Electric Utility Contractor may only share, resell or pool Electric Power, or lease or change the point of use of Electric Power, with the prior approval of the Commission, as required by NAC 538.540(1).

6.1.5 At the request of Staff, each CRCNV Electric Utility Contractor must provide information demonstrating that it uses the full Electric Power resource available to Contractor under this Contract, as required by NAC 538.540(3).

6.2 Scheduling.

6.2.1 Scheduling Entity. The Authorized Representative of a Contractor shall provide ninety (90) days' prior written notification to the CRCNV, of the Contractor's designation of a Scheduling Entity that will be responsible for scheduling the Contractor's Electric Power.

6.2.1.1 Any change or designation of a Scheduling Entity is subject to approval by Staff and WAPA.

6.2.1.2 As a condition of a designation, or continued retention, of a Scheduling Entity, the Scheduling Entity must agree to follow WAPA's SABPs and the CRCNV's SABPs, including changes thereto.

6.2.1.3 Any change in Scheduling Entity becomes effective at the beginning of a Billing Period.

6.2.1.4 Any costs associated with the scheduling of the Contractor's Electric Power will be borne by the Contractor.

6.2.1.5 If Contractor does not timely designate or change its Scheduling Entity in compliance with the CRCNV's requirements, then that Contractor's Scheduling Entity will be the entity designated by Staff.

6.2.2 CRCNV Review of Schedules. Copies of schedules and schedule changes submitted by the Contractor's SE to WAPA shall be provided to the CRCNV. The CRCNV reserves the right to require that the Contractor modify its schedules to correct scheduling errors or to respond to operating directives from WAPA.

6.3 Transmission.

6.3.1 Electric Power furnished under this Contract is provided at Pinnacle Peak Substation in accordance with the CRCNV's SLCAIP contract with WAPA.

6.3.2 The CRCNV expects to enter into the Transmission Agreement to provide transmission service to the Contractor over the Parker-Davis Transmission System from Pinnacle Peak to the Parker-Davis Point(s) of Delivery listed in Exhibit 2, for the full amount of the Contractor's Allocated Capacity at the Parker-Davis Firm Transmission Rate.

6.3.3 The CRCNV and the Contractor will enter into the CRCNV SLCAIP Transmission Agreement for the Contractor to take and pay for transmission service from Pinnacle Peak to one or more of the P-DP delivery points prior to June 1, 2024.

6.3.4 The CRCNV and Contractor will enter into the CRCNV Interconnection Agreement to provide continuous or backup transmission service over the P-DP SNF, or if there is a direct interconnection to the P-DP SNF prior to June 1, 2024.

6.3.5 The transmission of Electric Power, including costs and losses, to effectuate the delivery of Electric Power beyond the Parker-Davis Point(s) of Delivery shown in Exhibit 2, is the responsibility of the Contractor.

6.3.6 Any transmission in excess of the Contractor's Allocated Capacity, including costs and losses, is the responsibility of the Contractor. To the extent that actual Contractor's AHP, combined with the sum of contractual commitments by the Contractor for the acquisition of WRP and CDP, result in capacity greater than the Contractor's Allocated Capacity, it is the Contractor's responsibility to arrange for transmission and delivery of any WRP and/or CDP above the Contractor's Allocated Capacity. Additionally, the Contractor shall independently arrange for delivery to itself of all CDP over and above CDP accepted by WAPA for delivery to the CRCNV pursuant to subsection 5.7.

6.3.7 Any contract for the transmission of Electric Power entered into by the Contractor must be provided to the CRCNV so that the CRCNV is made aware of losses between the Parker-Davis Point(s) of Delivery shown in Exhibit 2 and the Contractor's point(s) of measurement set forth in the WAPA's SABPs.

6.3.8 Contractor may request additional Points of Interconnection and/or Points of Delivery on the Parker-Davis Transmission System. The CRCNV will submit a request to WAPA to establish additional Points of Interconnection and/or Points of Delivery and with written consent of the Contractor, enter into necessary agreements with WAPA to establish the requested Point of Interconnection and/or Point of Delivery. The Contractor will be responsible for the actual costs of establishing the Point of Interconnection and/or Point of Delivery including, but not limited to, study costs, equipment costs, or labor costs, as may be imposed by WAPA, CRCNV or other entities.

6.4 Transmission System Losses.

6.4.1 Losses on the Parker-Davis System are expressed as a percentage of Electric Power scheduled to be received at the Point(s) of Delivery for transmission over the Parker-Davis System, as shown in Exhibit 2. As a result, the Contractor's AHP will be reduced by the loss percentage determined by WAPA.

6.4.2 Transmission system losses are reviewed periodically, and the loss adjustment factor is subject to change.

6.4.3 Transmission system losses in the delivery of Electric Power under this Contract will be established as follows:

6.4.3.1 Any transmission losses incurred in the delivery of AHP to Pinnacle Peak shall be the responsibility of WAPA.

6.4.3.2 Any transmission losses incurred in the delivery of AHP from Pinnacle Peak to the Point(s) of Delivery described in Exhibit 2 shall be the responsibility of the Contractor.

6.4.3.2 Losses in the delivery of WRP and/or CDP shall be the responsibility of the Contractor.

6.5 Delivery.

6.5.1 Point(s) of Delivery. The CRCNV shall furnish and deliver or have delivered, the Contractor's Electric Power at the Parker-Davis Point(s) of Delivery and Voltage(s) shown in Exhibit 2. If any of those Parker-Davis Point(s) of Delivery and Voltage(s) becomes inoperable as a point of delivery of the Contractor's Electric Power, the Contractor is responsible to identify an alternative Parker-Davis Point(s) of Delivery and Voltage(s) that is acceptable to the CRCNV and WAPA. Any cost associated with obtaining Electric Power at points of delivery or voltages other than those shown in Exhibit 2 is the obligation of the Contractor.

6.5.2 Minimum Hourly Delivery. Except as provided in this paragraph, the Minimum Hourly Delivery is the Contractor's total load or 35 percent of the Contractor's Allocated Capacity, whichever is less. From time to time, the CRCNV, in consultation with its Contractors, may reevaluate and revise the required Minimum Hourly Delivery. Upon the request of the Contractor, the requirement for a Minimum Hourly Delivery may be waived by the CRCNV if operating conditions permit.

6.5.3 Maximum Rate of Delivery. Subject to the provisions of subsection 5.2, the CRCNV shall furnish, and the Contractor is entitled to receive, capacity in any Billing Period up to the Contractor's Allocated Capacity for that period and an amount of energy in any Billing Period up to the Contractor's Monthly Energy for that period.

6.5.4 Power Factor. The Contractor shall maintain the power factor specified in WAPA's rate schedules or WAPA's General Power Contract Provisions whichever is more stringent. If the Contractor does not comply with the applicable power factor standard, the CRCNV may, after giving the Contractor 80 Days to correct the condition or such additional time as the CRCNV deems warranted by the circumstances, make delivery system improvements associated with the power factor correction at the Contractor's expense. The CRCNV will not make such improvements unless it is required to do so to meet power factor standards applied by WAPA under the CRCNV's SLCAIP Contract. If the CRCNV is required to pay for a delivery system improvement associated with a power factor correction on the system of its transmission agents which are attributable to conditions on the system of the Contractor, the Contractor shall pay for the cost of the improvement.

6.6 Agreements with Third Parties. It is the Contractor's responsibility to effectuate agreements with any third party or parties which may be necessary to enable the Contractor to accept deliveries of Electric Power hereunder.

7. **METERING.** The point(s) of measurement, metering voltage(s), and ownership of metering equipment shall be set forth in the WAPA SABPs. Insofar as the Electric Power delivered hereunder may be measured at point(s) and/or voltage(s) other than the Designated Point(s) of Delivery, the measured amount(s) may be adjusted for losses between the Designated Point(s) of Delivery and the point(s) of measurement as set forth in the WAPA SABPs.

8. **LAY OFF PROVISIONS.** If Contractor is temporarily unable to use all or part of Contractor's allocation of Electric Power, Staff may lay off such Power, pursuant to NAC 538.510. Contractor may propose another SLCAIP Contractor to receive the Lay Off Power. No other Contractor shall be obligated to accept any Lay Off Power. Staff will make all reasonable efforts to lay off all or part of the power which is the subject of the layoff, in accordance with the procedures outlined in the CRCNV SABPs and any applicable agreements previously approved by the Commission, and as follows:

8.1 The maximum asking price set by Staff for Layoff Power will include no more than the charges set forth in section 13 of this Contract, unless such charges are paid by the Contractor that is laying off the power.

8.2 All applicable charges not paid by the purchaser of Lay Off Power remain the responsibility of the Contractor laying off the power and shall be offset by the money received by the CRCNV from the layoff of the power.

8.3 If Staff is unable to lay off power to other SLCAIP Contractors or to another entity, Staff will request that WAPA attempt to lay off this power, and the amount owed by the Contractor laying off the power will be offset by the money received by the CRCNV from WAPA.

8.4 Any failure of the CRCNV, in whole or in part, to arrange for the layoff of power, or to obtain the maximum asking price set by the CRCNV for that power, does not relieve the

Contractor of its obligation to pay the CRCNV for the full amount of power scheduled, whether it is delivered to the Contractor or to others.

9. EXCHANGE. At the request of Contractor, the CRCNV may exchange Electric Power available to Contractor under this Contract with resources otherwise available to the CRCNV. Participation in exchanges of Electric Power is strictly voluntary for the Parties.

10. ALLOCATION REDUCTION IN THE EVENT CONTRACTOR FAILS TO USE ITS ALLOCATION. Except as otherwise provided in this section, if Contractor does not use the full power resource available under its allocation set forth in Exhibit 1 for three (3) consecutive Fiscal Years, the CRCNV, after notifying Contractor and reviewing comments, if any, submitted by Contractor within the time prescribed in the CRCNV's notice, may reduce Contractor's allocation of Electric Power to the extent of Contractor's failure to fully use the power resource available to it. A reduction in allocation of Electric Power may not be made: (i) if Contractor's failure to fully use its allocation results from Contractor's compliance with the requirements of an Integrated Resource Plan (IRP) program applied pursuant to section 14 of this Contract; or (ii) if the Commission of the CRCNV has approved a pooling or sharing agreement which the Commission determines to provide for full utilization of the resource. If such a reduction is made, a superseding Exhibit 1 reflecting the reduction shall be issued by the CRCNV.

11. ENVIRONMENTAL ATTRIBUTES.

11.1 Contractor shall have the right to utilize any Environmental Attributes associated with Contractor's Allocation, for compliance with any environmental laws, regulations or standards applicable to Contractor; provided that any sale, transfer, or award of Environmental Attributes by Contractor to third parties shall be subject to approval by the CRCNV, which shall not be unreasonably conditioned, delayed or withheld. The CRCNV agrees to undertake any reasonable actions necessary to effectuate Contractor's use of the Environmental Attributes. The CRCNV makes no representation or warranty as to whether the Environmental Attributes, if any, associated with Contractor's Allocation are

compliance instruments that qualify for or meet any particular environmental laws, regulations or standards applicable to Contractor. Contractor shall be responsible for all costs arising from or related to Contractor's use of Environmental Attributes.

11.2 After consultation with the Contractor, any Environmental Attribute not utilized by Contractor may be utilized by the CRCNV for the benefit of the Contractor, the State or the SLCAIP when feasible.

12. ANNUAL FORECAST. The estimated amounts of Electric Power which are available for scheduling each month of the succeeding Fiscal Year shall be set forth in an annual forecast by the CRCNV. Staff shall provide the Annual Forecast to Contractor before each Fiscal Year, which shall contain a monthly estimate of Contractor's Available Capacity and Available Energy, for the forthcoming Fiscal Year, as soon as practicable following receipt of forecast data from Western and Reclamation.

13. BILLINGS, PAYMENTS, RATES AND CHARGES. Contractor shall pay monthly for the Electric Power, associated Transmission and other services provided hereunder.

13.1 The rates and charges billed to Contractor shall include, but are not limited to the following:

13.1.1 A charge for capacity reserved and allocated hereunder, without regard to whether CDP or WRP is used as part of the Contractor's Allocated Capacity, in accordance with WAPA's then current Rate Schedule.

13.1.2 A charge for the energy component of the Contractor's Available Hydro Power furnished hereunder in accordance WAPA's then current Rate Schedule.

13.1.3 A charge for transmission capacity from the Parker-Davis System furnished hereunder, in accordance WAPA's then current Rate Schedule.

13.1.4 The charges under this contract will be adjusted annually and current rate schedules will be provided to the Contractor in accordance with the SABPs.

13.1.5 A charge for Western Replacement Power, when applicable. The Contractor is responsible for all costs associated with Western Replacement Power.

13.1.6 A charge for handling Contractor Displacement Power, when applicable, equal to WAPA's incremental administrative costs associated with Customer Displacement Power, as provided in WAPA's then current Rate Schedule. The Contractor is responsible for all costs associated with Contractor Displacement Power.

13.1.7 The Contractor's pro-rata share of all other rates, fees, charges, interest, penalties and other amounts billed to the CRCNV by WAPA pursuant to the CRCNV's SLCAIP Contract or for which the CRCNV establishes a reserve fund in order to pay such rates, fees, charges or other amounts.

13.1.8 The Contractor's pro-rata share of all other rates, fees, charges, interest, penalties and other amounts billed to the CRCNV by the Colorado River Energy Distributors Association (CREDA).

13.1.9 CRCNV's Administrative Charge: The charge billed to Contractor to recover the CRCNV's costs associated with provision of services to this Contract, which is developed in accordance with NRS 538.226 and NAC 538.610; provided however, the CRCNV does not intend the administrative charge to result in any duplicative charges for the same services.

13.1.10 Other Charges: Contractor shall pay its appropriate share of any other applicable charges billed to the CRCNV in connection with Contractor's receipt of Electric Power under this Contract.

13.2 In addition to the charges set forth in 13.1, above, Contractor shall pay monthly for the following charges, if applicable:

13.2.1 Late charges that are assessed to the CRCNV by CRCNV's suppliers, or any other creditor, in connection with the services provided under this Contract;

13.2.2 Interest on unpaid balances assessed in accordance with section 13.6; and

13.2.3 Penalties assessed pursuant to section 13.6 of this Contract, if any.

13.3 In the performance of work hereunder, the CRCNV may undertake activities that benefit the Contractor but provide no appreciable benefit to other CRCNV contractors receiving similar services. In that situation, the CRCNV may determine that it is appropriate to charge the Contractor a separate charge to recover the cost of the CRCNV's extraordinary labor in implementing the provisions of this contract with respect to that Contractor. If it is determined that such a separate extraordinary supplemental charge is appropriate, the Staff prior to incurring such costs will provide at least ten (10) Days prior notice to the Contractor and except where the Contractor objects the charge will be assessed and billed to that Contractor. An objection by a Contractor will be resolved pursuant to Section 21.

13.4 The CRCNV may propose a change to its administrative charge in accordance with the provisions of NAC 538.610. The rates and charges set forth in this section 13 as each may be hereafter amended or supplemented will be included in a rates and charges schedule issued annually. Any change to the rates and charges shall be developed and implemented pursuant to the CRCNV's regulations.

13.5 Bills will be issued for services provided by the CRCNV in accordance with the procedures outlined in the SABPs. Bills issued by the CRCNV are due and payable by the Contractor, within twenty (20) Days after the invoice date.

13.6 For any invoice that is not paid in accordance with section 13.5, late charges and penalties may be imposed: (i) to compensate the CRCNV for late charges that are assessed to the CRCNV by third parties; and (ii) any other penalties or late charges, including fees and interest, approved by the Commission of the CRCNV.

13.7 Contractor agrees to comply with the CRCNV's creditworthiness and collateral requirements applied pursuant to NAC 538.744.

13.8 If the CRCNV determines that it will need working capital to implement the terms of this Contract or require pre-payment for all or a portion of the amounts owed under this Contract, as authorized under NAC 538.744, Staff will present periodically a CRCNV working capital and/or prepayment proposal to the Commission of the CRCNV for action at a meeting. Staff will provide Contractors with at least sixty (60) Days to review and comment upon the CRCNV working capital and/or prepayment proposal prior to seeking Commission approval.

13.9 If any portion of any bill described in this section is disputed, the disputed amount shall be paid under protest when due and the protest shall be accompanied by a written statement indicating the basis for the protest.

13.10 The Contractor, at its own expense, shall have the right to review the books and records of the CRCNV, during the CRCNV's normal business hours, in order to ascertain the reasonableness and propriety of any charges due or billed under the provisions of this section.

14. INTEGRATED RESOURCE PLANS (IRP). Contractors are subject to certain IRP requirements implemented by WAPA, as set forth in NAC 538.530. The CRCNV is required to demonstrate that its Contractors are in compliance with WAPA's IRP requirements. Contractor shall provide to the CRCNV the information and reports which it needs to comply with WAPA's IRP requirements.

15. REALLOCATION OF ALL OR A PORTION OF ELECTRIC POWER.

15.1 Contractor may at any time make a written request to the CRCNV for reallocation of all or a reasonable portion of Contractor's Electric Power for the remaining duration of this Contract. Upon receiving a request for reallocation, the CRCNV shall seek to reallocate Contractor's Allocation as provided for in NAC Chapter 538.

15.2 The CRCNV reserves the right to not provide for any reallocation that it deems a financial risk to the State, or otherwise fails to meet the requirements of applicable statutes and regulations.

15.3 The CRCNV further reserves the right to prescribe termination payments or other mechanisms to protect against a fiscal impact to the CRCNV and/or the State.

15.4 Contractor shall remain responsible for all payments under this Contract unless and until a reallocation of Contractor's Electric Power and compliance with termination payments or other mechanisms prescribed by the CRCNV (if any), under subsection 15.3 above are complete.

15.5 If Contractor's Electric Power is reallocated in accordance with this section, and Contractor has complied fully with termination payments or other mechanisms prescribed by the CRCNV under subsection 15.3 above (if any), this Contract shall terminate on the date provided in written notice from the CRCNV. After termination of this Contract, Contractor shall have no further payment or other obligations under this Contract except for outstanding Contract payment obligations incurred prior to the reallocation.

16. DEFAULT BY CONTRACTOR. Subject to the CRCNV's regulations set forth at NAC 538.746, Contractor shall be in default, if any bill for Electric Power, or for any of the other charges applied under this Contract including but not limited to the charges set forth in section 13 of this Contract, is not paid timely. The CRCNV shall provide notice to

Contractor of the default, and Contractor shall have the opportunity to cure its non-performance, as provided for under NAC 538.746. The CRCNV may at its discretion terminate this Contract if Contractor fails to timely cure the default, provided that Contractor's obligation to make payment for Electric Power herein shall survive termination of this Contract unless and until the CRCNV reallocates or assigns Contractor's Allocation to other entities.

17. NO RIGHT OF RENEWAL. In 1993, the Nevada legislature passed an amendment to NRS 538.181 which granted a right of contract renewal to the CRCNV's customers who had a contract for the purchase of power from the Commission which was in effect on July 1, 1993. In 2004, the CRCNV executed Renewal Contracts with its then existing SLCAIP Contractors for delivery of power from October 1, 2004, through September 30, 2024, to satisfy the right given in that statute. The Contractor hereby expressly agrees that no provision of NRS 538.181 or of this Contract shall be construed, nor is any such provision intended, to entitle the Contractor in any manner to a renewal or extension of this Contract. Nothing in this subsection prevents the Contractor from applying for such a renewal or extension or for an allocation, or from receiving or accepting an offer of such a renewal, extension or allocation from the CRCNV, if the Contractor is eligible to do so under the then applicable statutes and/or regulations of the CRCNV.

18. FORWARD CONTRACT. The Parties acknowledge and agree that this Contract and the transactions contemplated by this Contract constitute a "forward contract" and that the CRCNV and Contractor are each "forward contract merchants" within the meaning of the United States Bankruptcy Code (11 U.S.C. § 101 et seq., as amended), and any successor statute.

19. AUTHORIZED REPRESENTATIVES. Each Party, by written notice to the other, shall designate an Authorized Representative, and any alternate, who is authorized to act in its behalf with respect to those matters contained in the Contract. Either Party may change the designation of its Authorized Representative, and any alternate, upon oral notice given to the other and confirmed promptly by written notice within thirty (30) Days

thereafter. The names of the Authorized Representatives of the Contractor shall be set forth in Exhibit 3. Parties may limit the authorizations of the alternates by providing written notice of such limitation, however, Parties must supply the names of alternates, who when combined possess the authorizations to act on its behalf with respect to all matters contained in this Contract.

20. EXHIBITS AND ATTACHMENTS MADE PART OF CONTRACT. Exhibits 1 - 5 and Attachment 1 to Exhibit 1 are hereby made a part of this Contract with the same effect as if they had been expressly set forth herein. Exhibit 1 may be revised from time to time to state the amount of Allocated Capacity and Energy, Allocated Capacity and Energy Sharing Percent, Firm Transmission Capacity, and Transmission Loss Factor. Attachment 1 to Exhibit 1 may be revised from time to time to state the amount of AHP and WRP by season and by month. Exhibit 2 may be revised from time to time to state Point(s) of Delivery, Interconnection and Receipt. Exhibit 3 shall be revised and distributed by CRCNV upon receiving notice from Contractor changing its Authorized Representative. Exhibit 4 shall be revised and distributed by CRCNV upon receiving notice from Contractor changing its preferred Notice provisions. Exhibit 5 shall be revised and distributed by CRCNV as needed. The initial Exhibits and Attachments shall remain fully in effect until superseded by subsequent exhibits issued by the CRCNV in compliance with this Contract.

21. DISPUTE RESOLUTION PROCESS.

21.1 The Authorized Representatives of the Parties shall meet and confer to resolve any dispute within thirty (30) Days of notice by a Party of the existence and nature of the dispute. If the dispute is not resolved through discussions of their Authorized Representatives, any Party may, by written notice identifying the matter with particularity, submit the matter to the Senior Executives for resolution.

21.2 In the event that a dispute is not resolved to the satisfaction of each Party by the Senior Executives, the Parties may pursue any and all legal remedies.

21.3 If in any such court proceeding, an amount paid by Contractor on the demand or bill of the CRCNV is held not to have been due; it shall be refunded with no interest.

22. NOTICES.

22.1 Any notice, demand, or request required or authorized by this Contract to be served, given or made shall be deemed properly served, given or made if delivered in person or sent by certified mail, postage prepaid, to the persons specified in Exhibit 4.

22.2 Either Party may at any time, by written notice to the other Party, update Exhibit 4 and designate different or additional persons or different addresses for the giving of notices, demands or requests hereunder.

22.3 The Parties may, at any time, by written letter agreement, designate a different method of notice including but not limited to electronic communication.

23. ASSIGNMENT OF CONTRACT. Contractor may assign this Contract, pursuant to NAC 538.550, only with the prior written approval of the CRCNV, which shall not be unreasonably withheld, conditioned or delayed. Such assignment shall take effect only upon satisfaction of all requirements for the assignment including the assumption by the assignee of all obligations and liabilities under the Contract.

24. FORCE MAJEURE.

24.1 No Party shall be considered to be in breach of this Contract to the extent that a failure to perform its obligations under this Contract is due to a Force Majeure cause or event. In such an event, the intervening force majeure cause must not be through the fault of the Party asserting such an excuse, and the excused Party is obligated to promptly perform in accordance with the terms of the Contract after the intervening force majeure cause ceases.

24.2 No Party shall be relieved by the operation of this section of any obligation to pay all of the charges set out in section 13.

24.3 Any Party rendered unable to fulfill any of its obligations by reason of a Force Majeure cause or event shall give prompt written notice of such fact to the other Party and shall exercise due diligence to remove such inability to fulfill any of its obligations.

24.4 As used in this section 24, "Force Majeure" means an event beyond the control of a Party at any time during the term of this Contract, that prevents that Party from performing or discharging a duty or obligation under this Contract, including without limitation strike, labor disputes, a governmental rule, regulations, ordinance, statute, or interpretation, or fire, earthquake, or other natural calamity, civil commotion, failure or disruption of utility or governmental services.

25. AMENDMENTS AND MODIFICATIONS. This Contract may be amended or modified only by an amendment or modification duly and lawfully executed by the Parties, with the exception of amendments to Exhibits 3, 4, 5 and Attachment 1 to Exhibit 1.

26. ACCESS TO BOOKS AND RECORDS.

26.1 The Authorized Representative(s) of the CRCNV shall have the right to inspect at all reasonable times during normal business hours, the books and records of Contractor related to the Electric Power purchased hereunder, with the right to make copies of those books and records, which are not proprietary or confidential and, shall have the right to inspect Contractor's meter data and power delivery facilities as authorized by NAC 538.570.

26.2 The Authorized Representative of Contractor shall have the right to inspect at all reasonable times during normal business hours, the books and records of the CRCNV related to the Electric Power purchased by Contractor hereunder as well as related

contracts including the WAPA Transmission Agreement, with the right to make copies of those books and records, which access shall be provided in compliance with NRS Chapter 239.

27. GENERAL CONTRACT PROVISIONS.

27.1 Effect of Section Headings. The section headings, which appear in this Contract, are inserted for convenience only and shall not be construed as interpretations of the text of the Contract.

27.2 Reference to Section, Subsection, Paragraph, or Subparagraph. A reference to a section, subsection, paragraph, or subparagraph shall include all applicable subparts of such referenced section, subsection, paragraph, or subparagraph.

27.3 Documents. Each Party agrees, upon request by any other Party, to make, execute, and deliver any and all documents reasonably required to implement the terms, covenants, and conditions of this Contract.

27.4 No Third-Party Beneficiaries. This Contract is made solely for the benefit of the Parties and their respective permitted successors and assigns, and no other person or entity shall have or acquire any right, as a third-party beneficiary or otherwise, by virtue of this Contract.

27.5 Waiver. By mutual written consent of all the Parties, performance by one or more of the Parties of any obligation under this Contract may be excused or waived. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by any Party of the breach of any covenant of this Contract shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Contract.

27.6 Severability. If any of the terms, covenants or conditions of this Contract, or the

application of any such term, covenant or condition to any person or circumstance, is held invalid by any court having jurisdiction, the remainder of this Contract, and the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby. Should any provision of this Contract be declared invalid or prohibited, the Parties shall in good faith negotiate a new provision that achieves the intent of the Parties at the time of execution to the nearest extent possible, to replace the provision declared invalid or prohibited, and amend this Contract to include such provision.

27.7 Entire Agreement. This Contract and its integrated attachment(s) and any incorporated agreement, document or instrument, constitutes the entire agreement of the Parties, and as such are intended to be the complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Unless an integrated attachment to this Contract specifically displays a mutual intent to amend a particular part of this Contract, general conflicts in language between any such attachment and this Contract shall be construed consistent with the terms of this Contract.

27.8 Governing Law, Jurisdiction. This Contract and the rights and obligations of the Parties hereto shall be governed by, and construed according to, the laws of the State of Nevada, without giving any effect to any principle of conflict of laws that would require the application of the law to any other jurisdiction. The Parties consent to the exclusive jurisdiction of a court of competent jurisdiction in Clark County, Nevada for enforcement of this Contract.

27.9 Continued Cooperation. The CRCNV and Contractor will work together in a collaborative manner to accommodate changes in circumstances during the term of this Contract, including without limitation evolving wholesale energy markets and transmission services, and changes in technology and hydrology, by taking necessary action which may include amending this Contract or execution of ancillary agreements.

27.10 Execution in Counterpart. This Contract may be executed in any number of counterparts and, upon execution and delivery by each Party, the executed and delivered counterparts together shall have the same force and effect as an original instrument as if both Parties had signed the same instrument. Any signature page of this Contract may be detached from any counterpart of this Contract without impairing the legal effect of any signatures thereon and may be attached to another counterpart of this Contract identical in form hereto, by having attached to it one or more signature pages.

27.11 Authority to Execute. Each individual signing this Contract represents and warrants that the Party represented has duly authorized such individual to execute this Contract with the intent that the Party be bound and obligated hereby.

IN WITNESS WHEREOF, the Parties signing below have caused this Contract for the Sale of Electric Power from the Salt Lake City Area Integrated Projects to be executed this ___ day of _____ 2019.

State of Nevada, acting by and through its

COLORADO RIVER COMMISSION OF NEVADA

Eric Witkoski Date
Executive Director

Puoy Preamsirut Date
Chairwoman

Approved as to form:

Christine Guerci-Nyhus Date
Special Counsel

VALLEY ELECTRIC ASSOCIATION, INC.

Approved as to form:

Richard Peck 6/3/19

Richard Peck Date
Chief Executive Officer

[Signature]

Steve Morrison Date
Chief Financial Officer

Ratified and approved this

___ day of _____, 2019.

STEVE SISOLAK
Governor of the State of Nevada

EXHIBIT 1

Contract No. P08-SLCESC

Effective October 1, 2024

**ALLOCATED CAPACITY AND ENERGY; PERCENT SHARING; TRANSMISSION
CAPACITY; MINIMUM HOURLY DELIVERY; TRANSMISSION LOSS FACTOR**

1. Allocated Capacity and Energy

<u>Summer Season</u>		<u>Winter Season</u>	
<u>Capacity kW</u>	<u>Energy kWh</u>	<u>Capacity kW</u>	<u>Energy kWh</u>
9,035	16,442,095	11,879	21,781,728

2. Allocated Capacity and Energy Sharing Percent: 43.33195814200%

3. Transmission Capacity

<u>Summer Season</u>	<u>Winter Season</u>	
<u>Capacity kW</u>	<u>Capacity kW</u>	
9,035	11,879	CRSP Transmission
8,784	11,522	Parker-Davis Transmission

4. Transmission Loss Factor:

To Pinnacle Peak: WAPA Responsibility

Pinnacle Peak to Mead (Parker-Davis Transmission System): 3%

Mead to Southern Nevada Facilities: 0 %

ATTACHMENT 1 TO EXHIBIT 1

Contract No. P08-SLCESC

Effective October 1, 2024

Summer Season Monthly Capacity and Energy Table

Revision No. _____

Year: _____

PEAK CAPACITY (Maximum kW)

	CROD	SHP	AHP	Available WRP	Requested WRP	Total Monthly Capacity	Minimum Capacity ¹	CDP ²
April	9,035							
May	9,035							
June	9,035							
July	9,035							
Aug	9,035							
Sept	9,035							

TOTAL ENERGY (kWh)

	SHP	AHP	Available WRP	WRP On-Peak	WRP Off-Peak	Total WRP Energy	Total Monthly Energy ³
April	2,591,428						
May	2,317,841						
June	2,706,639						
July	2,996,162						
Aug	3,201,683						
Sept	2,628,342						
	16,442,095						

1. Minimum capacity is the minimum to be scheduled in any hour. The minimum is calculated monthly, based on the anticipated generation and water release patterns.

2. CDP Customers shall provide the transmission path that they are requesting capacity on, as follows:

_____.

3. CDP Capacity available is the difference between AHP capacity and the CROD in any hour.

4. Total Energy cannot exceed 100% load factor of CROD.

Winter Season Monthly Capacity and Energy Table

Revision No. _____

Year: _____

PEAK CAPACITY (Maximum kW)

	CROD	SHP	AHP	Available WRP	Requested WRP	Total Monthly Capacity	Minimum Capacity ¹	CDP ²
Oct	11,879							
Nov	11,879							
Dec	11,879							
Jan	11,879							
Feb	11,879							
March	11,879							

TOTAL ENERGY (kWh)

	SHP	AHP	Available WRP	WRP On-Peak	WRP Off-Peak	Total WRP Energy	Total Monthly Energy ³
Oct	3,431,774						
Nov	3,126,315						
Dec	3,717,644						
Jan	3,971,308						
Feb	3,484,566						
March	4,050,121						
	21,781,728						

1. Minimum capacity is the minimum to be scheduled in any hour. The minimum is calculated monthly, based on the anticipated generation and water release patterns.

2. CDP Customers shall provide the transmission path that they are requesting capacity on, as follows:

_____.

3. CDP Capacity available is the difference between AHP capacity and the CROD in any hour.

4. Total Energy cannot exceed 100% load factor of CROD.

EXHIBIT 2
Contract No. P08-SLCESC
Effective October 1, 2024

POINTS OF DELIVERY AND VOLTAGE

1. WAPA Designated Point of Delivery and Voltage: Pinnacle Peak / 230 Kv
2. Parker-Davis Point(s) of Delivery and Voltage: Mead Substation / 230 Kv
3. Parker-Davis Southern Nevada Facilities Point(s) of Delivery and Voltage:

Amargosa Substation / 230 kV - 138 Kv

Boulder City Tap / 230 kV

Basic Substation / 230 kV

Clark Tie / 230 kV

EXHIBIT 3

Contract No. P08-SLCESC

AUTHORIZED REPRESENTATIVES

This Exhibit 3, made and effective, shall remain in effect until superseded by another Exhibit 3 issued by the CRCNV in compliance with the Contract.

Authorized Representatives and alternates as follows:

	AUTHORIZED REPRESENTATIVE	ALTERNATE
Colorado River Commission of Nevada	Eric Witkoski, Executive Director	Gail Bates, Deputy Director Energy Services
Valley Electric Association, Inc.	Richard Peck, Chief Executive Officer	Steve Morrison, Chief Financial Officer

EXHIBIT 4
Contract No. P08-SLCESC
NOTICES

This Exhibit 4, made and effective, shall remain in effect until superseded by another Exhibit 4, issued by the CRCNV in compliance with the Contract.

1. All notices and official communications sent to the CRCNV should be sent to:

Colorado River Commission of Nevada
555 E. Washington Avenue, Suite 3100
Las Vegas, NV 89101

Attn: Hydropower Department

Email: CRCPower@crc.nv.gov.

2. All notices and official communications sent to the Contractor should be sent to:

Valley Electric Association, Inc.
P.O. Box 237
Pahrump, NV 89041

Attn: Steve Morrison, CFO

Email: smorrison@vea.coop

EXHIBIT 5
Contract No. P08-SLCESC
Effective October 1, 2024

CRCNV CONTRACTOR DESIGNATION

1. CRCNV Electric Utility Contractors:

City of Boulder City

Overton Power District No. 5

Valley Electric Association, Inc.

2. CRCNV Non-Electric Utility Contractors: None