

**GLU WEST POWER SUPPLY PROJECT COMMITTEE**  
**GREAT LAKES UTILITIES**  
**MINUTES**  
May 28, 2015  
Madison, Wisconsin

**COMMITTEE MEMBERS:**

Bangor	Steve Baker
Cornell	Dave DeJongh
Medford	John Fales
Trempealeau	Travis Cooke

Legal Counsel: Richard Heinemann, Boardman & Clark

Administrative

Services Manager: Nilaksh Kothari

Additional Attendees: Mike Furmanski; Dennis Dederling; Jem Brown; Bob Trussoni; Brian Knapp; Bryan Singletary, John Murphy

Chair Dave DeJongh called the meeting to order at 11:45 a.m. Those present are indicated above.

**MINUTES:** The Regular Session Minutes from the August 12, 2014 meetings were presented for approval.

**MOTION:** Motion was made by Travis Cooke and seconded by Steve Baker to approve the Regular Session Minutes from August 12, 2014. Motion carried unanimously.

**DISCUSSION AND APPROVAL OF POWER SUPPLY PURCHASE FOR CONTRACT YEARS 2020-2025:** The proposals and pricing were reviewed from different power suppliers. A lengthy discussion followed on how much capacity and energy to purchase for 2021 through 2025.

**MOTION:** Motion was made by John Fales and seconded by Travis Cooke to purchase the projected energy requirements from Trans Alta for 2020. Motion carried unanimously.

**MOTION:** Motion was made by John Fales and seconded by Steve Baker to purchase the projected ATC energy requirements and 50% of the projected peak requirements for 2021. Motion carried unanimously.

**ADJOURN:** Motion to adjourn by Travis Cooke and seconded by John Fales. Motion carried. Meeting adjourned at 12:20 p.m.

  
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Dave DeJongh, Chair

**POWER SUPPLY PROJECT COMMITTEE  
GREAT LAKES UTILITIES**

**MINUTES**

May 28, 2015

Madison, WI

**COMMITTEE MEMBERS:**

Clintonville	absent
Kiel	Dennis Dederling
Manitowoc	Nilaksh Kothari
Shawano	Brian Knapp
Wisconsin Rapids	Jem Brown

Legal Counsel:	Richard Heinemann, Boardman & Clark
Additional Attendees:	John Fales; Dave DeJongh; Steve Baker; Bob Trussoni; Mike Furmanski; Travis Cooke; Bryan Singletary; John Murphy
Absent:	Brian Ellickson

Chair Jem Brown called the meeting to order at 11:30 a.m. Those present are indicated above.

**APPROVAL OF MINUTES:** The Regular Session Minutes from the May 12, 2015 meeting were presented for approval.

**MOTION:** Motion was made by Nilaksh Kothari and seconded by Brian Knapp to approve the Regular Session Minutes from May 12, 2015. Motion carried unanimously.

**DISCUSSION AND APPROVAL OF WPS DEMAND NOMINATIONS FROM 2016-2031:** The revised demand nominations from WPS were presented for review and approval. GLU had an issue in 2017 with minimum demand nominations from WPS of 50 MW as compared to 15 MW in 2016. At the same time the Alliant contract does not terminate until December 31, 2017. This resulted in an almost double digit projected increase in GLU power supply costs in 2017. During a recent meeting, a request was made to WPS to consider allowing GLU to postpone the increase in nominations from 2017 to 2018. WPS subsequently made an offer that results in GLU increasing its minimum demand nomination by 5 MW in 2016, decreasing the minimum demand nomination in 2017 by 20 MW and then, effective 2018, increasing the minimum demand nomination by 5 MW (i.e. 55 MW) for the remainder of the contract. The updated draft power supply plan was also presented, which showed a decrease in rates by 5.8% in 2016 and an increase of 7.0% in 2017 with the updated nominations.

**MOTION:** Motion was made by Dennis Dederling and seconded by Brian Knapp to approve the WPS Demand Nominations from 2016-2031. Motion carried unanimously.

**GLU TO MPU SUMMER 2015 ENERGY ONLY SALE CONFIRMATION:** The Master Transaction – Power Purchase Confirmation 10 MW on peak energy (5x16) from June 1, 2015 thru August 31, 2015 at 100% load factor was presented for approval. MPU is a partial requirements member of the Power Supply Committee and is responsible for meeting its capacity and energy requirements above 77 MWs. The volume of energy for this transaction is 3,520 MWhs in June, 3,680 MWhs in July, and 3,360 MWhs in August with the energy price for this transaction at \$43.00 per MWH. The delivery point for this transaction is WPS.GLU and MPU would be responsible for the congestion and losses component between the WPS.GLU and WPS.MPU nodes.

**MOTION:** Motion was made by Brian Knapp and seconded by Dennis Dederling to approve the GLU to MPU Summer 2015 Energy Only Sale. Motion carried unanimously.

**ADJOURN**, Motion to adjourn by Brian Knapp and seconded by Dennis Dederig. Motion carried.  
Meeting adjourned at 11:45 a.m.

  
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Jem Brown, Chair

**LAKESWIND PROJECT COMMITTEE  
GREAT LAKES UTILITIES  
MINUTES  
April 7, 2015  
Wisconsin Rapids, Wisconsin**

**COMMITTEE MEMBERS:**

Bangor	Steve Baker
Cornell	Dave DeJongh (via telephone)
Medford	John Fales
Power Supply Committee Representative	Brian Knapp
Trempealeau	Travis Cooke
Legal Counsel:	Richard Heinemann, Boardman & Clark
Manager – Administrative Services:	Nilaksh Kothari
Additional Attendees:	Dennis Dederling (via telephone); Jem Brown; Mike Furmanski (via telephone); Brian Ellickson; Nick Kumm; Andy Onesti (via telephone)

Committee Chair John Fales called the meeting to order at 10:15 a.m. Those present are indicated above.

**MINUTES:** The Regular Session Minutes from the January 21, 2015 meeting were presented for approval.

**MOTION:** Motion was made by Brian Knapp and seconded by Travis Cooke to approve the Regular Session Minutes from January 21, 2015. Motion carried unanimously.

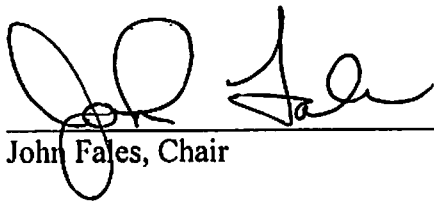
**WIND PROJECT PERFORMANCE REPORT FOR JANUARY AND FEBRUARY 2015:** N. Kothari updated the Committee on the financial operation of the project for January and February. Discussion ensued on changing the billing to members from \$12 per MWH to a lower number due to the cash position of almost \$500,000 at end of February 2015. Discussion ensued. The consensus was to reassess the MWH charge during the 2016 budget development process.

**ASSESSMENT OF WIND FORECAST:** A review of 3TIER's wind forecast performance from April 2014 through January 2015 was conducted in order to assess forecast accuracy, its potential impact on market value captured by the Lakeswind facility, and implications with respect to current market strategy. Based on this assessment, the recommendation is to continue with the current market strategy and to monitor future performance and economic impact on a regular basis. Discussion ensued on the impacts of the accuracy of the forecast to-date; premiums and/or penalties for errors. The consensus was to place the report on file.

**ANALYSIS OF PROPOSED DIR AMENDMENT:** Utilizing the recent re-dispatch data provided by MISO in response to a data request by GLU, an analysis was conducted in order to assess the net financial value of converting the Lakeswind facility to Dispatchable Intermittent Resource (DIR) status and capability, in comparison to current Intermittent Resource (IR) status.

Three fundamental cases were assessed; Baseline IR, current operations strategy, and DIR Operations. Conversion to DIR status would allow economic offers to be entered into the MISO portal and allow MISO to economically dispatch the unit. While the "DIR Operations" scenario extracted more market value, the increase in these additional payments due to the re-dispatch events incurred by DIR status effectively cancelled all gains in market value. This market value was better captured by "manually" responding to the stronger market signals of very negative pricing while maintaining IR status. Since the decision to switch to DIR status is non-revocable it is recommended to leave the facility operating as an IR at this time and to re-visit the analysis in 3 – 5 years or earlier if market conditions warrant. A lengthy discussion ensued. The consensus was for Attorney Richard Heinemann to communicate to Rockland Partners of GLU's desire to maintain the IR status, but to reserve the right to change the decision in the future based on MISO market conditions.

**ADJOURN:** Motion to adjourn by Brian Knapp and seconded by Travis Cooke. Motion carried. Meeting adjourned at 10:45 a.m.

A handwritten signature in black ink, appearing to read "John Fales", is written over a horizontal line. The signature is stylized and cursive.

John Fales, Chair

**LAKESWIND PROJECT COMMITTEE  
GREAT LAKES UTILITIES  
MINUTES**

June 19, 2015

Wisconsin Rapids, Wisconsin

**COMMITTEE MEMBERS:**

Bangor	Steve Baker
Cornell	Dave DeJongh (via telephone)
Medford	John Fales
Power Supply Committee Representative	absent
Trempealeau	absent
Legal Counsel:	Richard Heinemann, Boardman & Clark
Manager – Administrative Services:	Nilaksh Kothari
Additional Attendees:	Jem Brown; Rob Koepp; Kristy Nelson and Scott Reimer; Bob Trussoni; Brian Ellickson
Absent:	Brian Knapp; Travis Cooke

Committee Chair John Fales called the meeting to order at 11:30 a.m. Those present are indicated above.

**MINUTES:** The Regular Session Minutes from the April 7, 2015 meeting were presented for approval.

**MOTION:** Motion was made by Steve Baker and seconded by Dave DeJongh to approve the Regular Session Minutes from April 7, 2015. Motion carried unanimously.

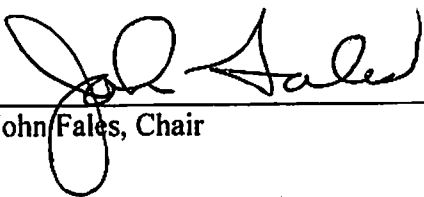
**WIND PROJECT PERFORMANCE REPORT THROUGH MAY 2015:** N. Kothari updated the Committee on the overall performance of the project through May. The operation of the wind farm in the market continues to be stable. There have been no economic or reliability curtailments so far this year. The financial performance of the wind farm this year has been deteriorating due to the depressed energy prices throughout the MISO market. The YTD cost for the wind energy (purchased price – revenues received from sale to MISO market) is \$17.37/MWh ranging from a high of \$20.93/MWh in April to a low of \$10.87/MWh in February. The total output of the wind farm for the first five months of 2015 is running below expectations. Discussion ensued on potential reasons for lower energy prices.

**ADJUSTMENT FOR WIND PROJECT ASSESSMENT:** The current wind project assessment is \$12.00 per MWh since January 2014, excluding the technical, legal and administrative fees. However, in 2015, the financial performance of the wind farm has ranged from \$10.87/MWh to \$20.93/MWh for an average of \$17.37/MWh. The recommendation is to adjust the assessment from \$12.00 to \$20.00 per MWh effective the July 1, 2015 invoices. The recommendation of \$20.00 per MWh was based on two criteria: (a) wind production and (b) cost of wind. For wind cost the 2014 and 2015 LMP data was utilized; the energy prices at Indiana hub; and allowing a 10% contingency. A request of committee member Brian Knapp to develop a formula to calculate future assessments was briefly discussed and consensus was to discuss at a

future meeting upon having more historical data or the LMP at Lakeswind. The consensus was to revisit the adjustment to the assessment at the January 2016 committee meeting.

**MOTION:** Motion was made by Dave DeJongh and seconded by Steve Baker to increase the assessment to \$20 per MWh and revisit the assessment in 2016. Motion carried unanimously.

**ADJOURN:** Motion to adjourn by Dave DeJongh and seconded by Steve Baker. Motion carried. Meeting adjourned at 11:52 a.m.



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John Fales, Chair