

**GLU WEST POWER SUPPLY PROJECT COMMITTEE
GREAT LAKES UTILITIES
MINUTES**

March 14, 2018
Wisconsin Rapids, WI

COMMITTEE MEMBERS:

Bangor	Ryan Pelowski
Cornell	Dave DeJongh
Medford	John Fales
Trempealeau	Absent

Legal Counsel:	Richard Heinemann, Boardman & Clark Law Firm
Managing Director:	Nilaksh Kothari
Additional Attendees:	Jem Brown; Mike Furmanski (via telephone); Brian Ellickson; Brian Knapp; Kris August; Nicolas Kumm; Jerry Zelenka; Kevin Favero (Leidos); Jeff Kuhn (Wisconsin Rapids)
Absent:	Kurt Wood

Chair Dave DeJongh called the meeting to order at 10:28 a.m. Those present are indicated above.

MINUTES: The Regular Session Minutes from the December 18 and December 19, 2017 meetings were presented for approval.

MOTION: Motion was made by John Fales and seconded by Ryan Pelowski to approve the Regular Session Minutes from December 18 and December 19, 2017. Motion carried unanimously.

CAPACITY AND ENERGY TRANSACTIONS APPROVAL: In early February, GLU received an unsolicited offer for Zone 1 (Z1) capacity for the 20/21 Planning Year (PY20/21). After negotiations, a price of \$2.00/kw-mo was settled upon for the proposed transaction. The recommendation is to complete a bilateral contract for the purchase of 30 MWs of Z1 capacity for PY 20/21 with NSP. An unsolicited offer at Minn.hub was received for energy from 2025-2030. This offer was compared with other energy providers. The recommendation is to complete a transaction with NextEra for 15 MW ATC energy and 10 MW on-peak energy for years 2025-2030. NextEra will also be providing a pricing to the GLU East group in the near future. Discussion ensued.

MOTION: Motion was made by John Fales and seconded by Ryan Pelowski to complete a bilateral contracts for the purchase of capacity and energy as recommended. Motion carried unanimously.

ADJOURN: Motion to adjourn by John Fales and seconded by Ryan Pelowski. Motion carried. Meeting adjourned at 10:42 a.m.


Dave DeJongh, Chair

**POWER SUPPLY PROJECT COMMITTEE
GREAT LAKES UTILITIES
MINUTES**

March 14, 2018
Wisconsin Rapids, WI

COMMITTEE MEMBERS:

Clintonville	Brian Ellickson
Kiel	Kris August
Manitowoc	Nilaksh Kothari
Shawano	Brian Knapp
Wisconsin Rapids	Jem Brown

Legal Counsel: Richard Heinemann, Boardman & Clark

Absent:

Additional Attendees: Ryan Pelowski; John Fales; Mike Furmanski (via telephone); Dave DeJongh; Nicolas Kumm; Jerry Zelenka; Jeff Kuhn (Wisconsin Rapids)

Chair Jem Brown called the meeting to order at 10:10 a.m. Those present are indicated above.

APPROVAL OF MINUTES: The Regular Session Minutes from the December 19, 2017 meeting were presented for approval.

MOTION: Motion was made by Brian Knapp and seconded by Brian Ellickson to approve the Regular Session Minutes from December 19, 2017. Motion carried unanimously.

GLU LONG-TERM CONTRACTS – BUYER MEMBER PARTICIPATION SHARES:

The long term contracts with WPS and WE both contain a requirement that GLU establish a Participation Share record for the amount of nominated capacity under the contracts. GLU is also required to provide written certification to WPS and WE that the Participation Share has been established for the current service year and all ensuing years. A methodology for allocating the nominated capacity for each of GLU's long term power supply contracts has been developed. The participation shares takes into account the historical relationship of the existing contracts with GLU members and then allocates based on a load ratio share using the prior year peak demands. For future year allocations, the forecasted load of each member is used to determine the load ratio shares. A brief discussion ensued on the requirement and annual approval.

MOTION: Motion was made by Brian Knapp and seconded by Nilaksh Kothari to approve the WPS & WE Buyer Member's Participation Share. Motion carried unanimously.

WEPCO ANNUAL CONTRACT DEMAND NOMINATIONS: The power supply contract between GLU and WEPCo requires that demand nominations for the 2020-2021 planning year be submitted by June 1, 2018. The current demand nomination for the 2019-2020 planning year is 30 MWs and the proposed demand nomination for the 2020-2021 planning year is 30 MWs.

MOTION: Motion was made by Brian Knapp and seconded by Brian Ellickson to approve the WEPCO annual contract demand nominations. Motion carried unanimously.

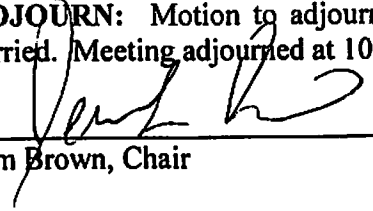
WPS ANNUAL CONTRACT DEMAND NOMINATIONS: The power supply contract between GLU and WPS requires that demand nominations for the next 5 contract years be submitted by September 30, 2018. Under the WPS-GLU contract, demand nominations can be adjusted annually but are subject to a bandwidth determined by the future service year in question. The current demand nomination for 2018 is 55 MWs; and for 2019 thru 2022 the demand nomination is 55 MWs. The proposed demand nomination for 2023 is to remain at the minimum nomination of 55 MWs.

MOTION: Motion was made by Kris August and seconded by Nilaksh Kothari to approve the WPS annual contract demand nominations. Motion carried unanimously.

MPU-GLU STEAM GENERATION LEASE AGREEMENT: The MPU-GLU Steam Generation Lease Agreement was approved by GLU at the December 2017 Board meeting. The Amended Agreement was drafted by attorney Richard Heinemann to implement the adjusted terms of the Steam Generation Lease Agreement approved in December. It includes the following: the Contract Quantity remains 77 MW, but the term of the Agreement is extended to December 31, 2026 with a 48 month notice period. The amended agreement also adjusts the capacity price on a levelized basis consistent with the Board's decision in December. MPU will provide a quarterly report on generation operational details.

MOTION: Motion was made by Brian Knapp and seconded by Brian Ellickson to approve the Amended MPU-GLU Steam Generation Lease Agreement. Motion carried with Nilaksh Kothari abstaining.

ADJOURN: Motion to adjourn by Kris August and seconded by Nilaksh Kothari. Motion carried. Meeting adjourned at 10:27 a.m.



Jem Brown, Chair

**LAKESWIND PROJECT COMMITTEE
GREAT LAKES UTILITIES
MINUTES**

March 14, 2018
Wisconsin Rapids, WI

COMMITTEE MEMBERS:

Bangor	Ryan Pelowski
Cornell	Dave DeJongh
Medford	John Fales
Power Supply Committee Representative	Brian Knapp
Trempealeau	Absent

Legal Counsel:	Richard Heinemann, Boardman & Clark Law Firm
Managing Director:	Nilaksh Kothari
Absent:	Kurt Wood
Additional Attendees:	Jem Brown; Brian Ellickson; Kris August; Mike Furmanski (via telephone); Nicolas Kumm; Jerry Zelenka; Kevin Favero (Leidos); Jeff Kuhn (Wisconsin Rapids)

Committee Chair John Fales called the meeting to order at 10:43 a.m. Those present are indicated above.

MINUTES: The Regular Session Minutes from the December 19, 2017 meeting were presented for approval.


MOTION: Motion was made by Brian Knapp and seconded by Dave DeJongh to approve the Regular Session Minutes from December 19, 2017. Motion carried unanimously.

WIND PROJECT PERFORMANCE REPORT FOR 2017 THROUGH FEBRUARY 2018:

The overall performance of the project for 2017 and through February 2018 was reviewed. The operation of the wind farm in the market continues to be stable. There have been no curtailments for either reliability or economic dispatch in 2017 and none to date in 2018. The energy production from the wind farm in 2017 was 163,478 MWhs as compared to the estimated output of 172,000 MWhs, falling short of projections. The reduced energy production along with slightly improved MISO energy pricing has resulted in the financial performance of the project to be ahead of budget. The 2017 YTD cost for the wind energy (purchased price minus revenues received from sale to MISO market) averaged \$17.10/MWh, ranging from a high of \$19.65/MWh in October to a low of \$11.76/MWh in January. The projected cost being used for 2017 bills was \$20.50/MWh. The energy production from the wind farm in 2018 through February was 32,041 MWhs. The MISO energy pricing in January 2018 was higher than normal due to extreme weather, resulting in the cost of wind energy for the month of \$9.42/MWh. The cost of the wind energy in February is estimated at \$14.34/MWh. The projected costs being used for billing purposes for 2018 is \$18.00/MWh. Discussion ensued on lowering the member billing cost. The consensus was to review the data at the May 2018 meeting.

MOTION: Motion was made by Brian Knapp and seconded by Ryan Pelowski to accept the wind project performance for 2017 and through February 2018. Motion carried unanimously.

ADJOURN: Motion to adjourn by Dave DeJongh and seconded by Brian Knapp. Motion carried. Meeting adjourned at 10:48 a.m.



John Fales, Chair

**GREAT LAKES UTILITIES BOARD OF DIRECTORS
MEETING MINUTES**

May 16, 2018
La Crosse, WI

CITIES REPRESENTED:

Bangor	Ryan Pelowski
Clintonville	Brian Ellickson
Cornell	Absent
Escanaba, MI	Absent
Kiel	Absent
Manitowoc	Nilaksh Kothari
Marshfield	Nicolas Kumm
Medford	John Fales
Shawano	Brian Knapp
Stratford	Scott Dennee
Trempealeau	Kurt Wood
Wisconsin Rapids	Jem Brown

Legal Counsel: Attorney Richard Heinemann, Boardman & Clark Law Firm
Absent: Dave DeJongh; Mike Furmanski; Kris August
Additional Attendees: Kevin Favero (Leidos); Mike Eberl and Gordy Earll (Marshfield)

Jem Brown, Chair of the Board, called the meeting to order at 4:00 p.m. and called the roll. A quorum was present with nine communities represented. Those present are indicated.

MINUTES: The Regular Session Minutes from the March 14, 2018 meeting were presented for approval.

MOTION: Motion was made by Brian Knapp and seconded by John Fales to approve the Regular Session Minutes from March 14, 2018. Motion carried unanimously.

DRAFT RESULTS OF LONG RANGE PLANNING STUDY – PHASE 1 – PRESENTATION WILL BE MADE BY LEIDOS: Mr. Kevin Favero, Leidos, Inc., presented the methodology used to review the draft long range Power Supply Plan completed by MPU. The methodology included conducting a separate analysis of the GLU East and West Power Supply Pools; applying the Monte-Carlo approach; reviewing the assumptions behind all the scenarios analyzed and load forecasts; and providing comments on MPU's methodology, with recommendations. Discussion ensued. The consensus of the Board was to have Leidos prioritize the recommendations and have MPU update the analysis incorporating the recommendations of Leidos, with findings presented at the July 2018 meeting. Any comments on the draft report should be forwarded to N. Kothari no later than June 30, 2018.

APPA NATIONAL CONFERENCE: The GLU dinner will be planned for Monday, June 18, 2018, at 6:30 p.m.

MANAGING DIRECTOR REPORT: N. Kothari informed the Board of the following: The results of Request for Proposals were presented for review and discussion; the MISO capacity market for 2018-2019 cleared at 10/MW-day except Zone 1 cleared at 1/MW-day; WPS transfer to ReliabilityFirst will not impact GLU; the GLU website has been updated to include Village of Stratford; request sent to members for documents and certification per GLU's annual financial risk management policy; and Greenleaf Media is working with Brian Knapp to develop GLU's first newsletter.

MOTION: Motion was made by John Fales and seconded by Brian Ellickson to approve the acquisition of CY 2021 and 2022 energy of 25 MW ATC and 35 MW on-peak for GLU east Power Supply Pool; and to acquire 30 MW of capacity for PY 2019-2023 for Zone 2 and 30 MW capacity for PY 2021-2023 for Zone 1 for prices received in the proposal. Motion carried unanimously.

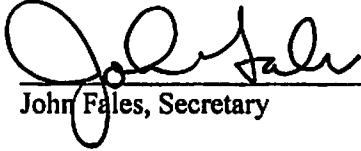
INVESTMENT PORTFOLIO REPORT: The Investment Portfolio Report from Baird for the period ending March 31, 2018 was reviewed and accepted.

FINANCIAL REPORTS AND INVOICES FOR JANUARY, FEBRUARY, AND MARCH 2018: For claims lists dated January 2018: invoices from Arthur J. Gallagher Risk Mgt., Badger Power Marketing Authority, Boardman & Clark, Customized Energy Solutions, Leighton Interactive, Manitowoc Public Utilities, Midwest Renewable Energy Tracking, Nilaksh Kothari, North American Electric Reliability Corp., TAPS, Wisconsin Public Utility Institute, and Wisconsin Rapids totaling \$105,183.86; Wind Purchase Power Revenue Invoices from North Central Power Co, Inc., Northwestern Wisconsin Electric Co., and Lakeswind Power Partners, LLC totaling \$635,748.80; and Power Supply Invoices from Calpine Energy Services, Manitowoc Public Utilities, American Electric Power-EP, American Transmission Co., MISO, NextEra Energy Power Marketing LLC, WE Energies, Wisconsin Power & Light, and Wisconsin Public Service Corp totaling \$8,688,422.41, for a total of \$9,429,355.07. For claims lists dated February 2018: invoices from Boardman & Clark, Customized Energy Solutions, Dennis Dederling, Duncan Weinberg Genzer & Pembroke, Manitowoc Public Utilities, Midwest Renewable Energy Tracking, MISO Accounts Receivable, North American Electric Reliability Corp., Spiegel & McDiarmid, and WPPI Energy totaling \$76,777.64; Wind Purchase Power Revenue Invoices from North Central Power Co, Inc., Northwestern Wisconsin Electric Co., and Lakeswind Power Partners, LLC totaling \$508,781.88; and Power Supply Invoices from Manitowoc Public Utilities, American Electric Power-EP, American Transmission Co., MISO, NextEra Energy Power Marketing LLC, WE Energies, Wisconsin Power & Light, and Wisconsin Public Service Corp totaling \$6,978,092.63, for a total of \$7,563,652.15. For claims lists dated March 2018: invoices from APPA, Boardman & Clark, Customized Energy Solutions, Duncan Weinberg Genzer & Pembroke, Manitowoc Public Utilities, Midwest Renewable Energy Tracking, Price Consulting, PRT, Inc., and Spiegel & McDiarmid totaling \$68,100.03; Wind Purchase Power Revenue Invoices from North Central Power Co, Inc., Northwestern Wisconsin Electric Co., and Lakeswind Power Partners, LLC totaling \$492,659.44; and Power Supply Invoices from Manitowoc Public Utilities, American Electric Power-EP, American Transmission Co., MISO, NextEra Energy Power Marketing LLC, WE Energies, Wisconsin Power & Light, and Wisconsin Public Service Corp totaling \$7,363,117.44, for a total of \$7,923,876.91.

MOTION: Motion was made by Ryan Pelowski and seconded by Kurt Wood to approve payments of invoices totaling \$9,429,355.07 for January, \$7,563,652.15 for February, and \$7,923,873.91 for March. Motion carried unanimously.

NEXT MEETING: The next meeting is on June 26, 2018, at 10:00 a.m. - Teleconference.

ADJOURNMENT: Motion by Nicolas Kumm and seconded by Scott Dennee to adjourn. Motion carried unanimously. Meeting adjourned at 6:15 p.m.



John Fales, Secretary