



**United States
Department of Energy**

**WESTERN AREA
POWER ADMINISTRATION
Desert Southwest
Regional Office**

AMENDMENT NO. 6

**TO
REVISE AND RESTATE**

CONTRACT NO. 97-DSR-10820

AMONG

**UNITED STATES
DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION
Desert Southwest Customer Service Region
Boulder Canyon Project
Parker-Davis Project
SLCA Integrated Projects**

**AND
AHA MACAV POWER SERVICE**

**AND
CITY OF MESA**

**AND
ELECTRICAL DISTRICT NO. 2, PINAL COUNTY, ARIZONA**

**AND
TOWN OF FREDONIA**

**AND
CORTARO-MARANA IRRIGATION DISTRICT**

**FOR
RESOURCE MANAGEMENT SERVICES**

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FOR
RESOURCE MANAGEMENT SERVICES

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1. **PREAMBLE:** This Amendment No. 6 to Contract 97-DSR-10820, as previously amended (Original Contract), dated October 31, 2016, revises and restates the Original Contract executed December 23, 1997, pursuant to the acts of Congress approved June 17, 1902 (32 Stat. 388); December 21, 1928 (45 Stat. 1057); August 4, 1939 (53 Stat. 1187); July 19, 1940 (54 Stat. 774); May 28, 1954 (68 Stat. 143); April 11, 1956

(70 Stat. 105); September 2, 1958 (72 Stat. 1726); September 30, 1968 (82 Stat. 885); August 4, 1977 (91 Stat. 565); August 17, 1984 (98 Stat. 1333); and acts amendatory or supplementary to the foregoing acts; between the UNITED STATES OF AMERICA, DEPARTMENT OF ENERGY, acting by and through the Administrator, WESTERN AREA POWER ADMINISTRATION, hereinafter called WAPA, represented by the officer executing this Amendment No. 6 or a duly appointed successor; and AHA MACAV POWER SERVICE (AMPS), a tribal chartered authority organized under provisions of the Indian Reorganization Act of 1934 (25 USC 461, et seq.), its successors and assigns; CITY OF MESA (Mesa), a municipality organized, incorporated, and existing under and by virtue of the laws of the State of Arizona, its successors and assigns; ELECTRICAL DISTRICT NO. 2, PINAL COUNTY, ARIZONA (ED-2), an electrical district duly organized and existing under and by virtue of the laws of the State of Arizona, its successors and assigns; and TOWN OF FREDONIA (Fredonia), a town organized and existing under and by virtue of the laws of Arizona, its successors and assigns; and other preference customers of WAPA's Desert Southwest Region (DSW) as will apply for and be granted participation in this Amendment No 6; hereinafter collectively called Parties; and each entity other than WAPA individually called Contractor and collectively Contractors. This Amendment No. 6 to the Original Contract is referred to herein as "this Contract."

2. **EXPLANATORY RECITALS:**

2.1 WAPA is engaged in marketing generation and transmission of electric power, and operates the Western Area Lower Colorado (WALC) Balancing Authority

(BA) in the Desert Southwest Customer Service Region, which includes the Boulder Canyon Project (BCP) and Parker-Davis Project (P-DP).

2.2 The Contractors are engaged in the purchase, resale, transmission, and/or distribution of electric power and are end users of Federal Hydropower Resources from the BCP, P-DP, and/or Salt Lake City Area Integrated Projects (SLCA/IP).

2.3 The Parties desire to amend and restate the Original Contract in order for WAPA to continue to provide Resource Management Services as described herein.

2.4 Aggregation of the Contractors' Power Resources by WAPA will result in greater efficiencies and more economic use and dispatch of such resources.

3. **AGREEMENT:** For good and valuable consideration received, the Parties agree to the terms and conditions set forth herein.

4. **ORIGINAL CONTRACT RESTATED AND SUPERSEDED BY AMENDMENT:**
Upon execution of this Contract, all sections of the Original Contract shall be restated and superseded in their entirety.

5. **EFFECTIVE DATE AND TERM:**

5.1 This Contract will become effective upon execution by two (2) or more Contractors and WAPA, and will remain in effect for an initial three (3) year commitment period for those Contractors that execute the Contract.

5.2 This Contract will automatically renew for successive three (3) year commitment periods after the end of the previous three (3) year commitment period for each Contractor that executes the Contract, unless otherwise terminated under the terms of this Contract. Commitment periods will be concurrent for all Contractors. Contractors executing this contract under Section 11 will have their

initial commitment period coincide with the remainder of the commitment period of existing Contractors, plus an additional (3) year commitment period. In the following example new Contractor (E) executes this Contract on June 1, 2017 and their initial commitment period would end concurrent with the original Contractor’s second commitment period

Commitment Period Example			
		Period #1	Period #2
Original Contractors	A	10/1/2016	10/1/2019
	B	thru	thru
	C	9/30/2019	9/30/2022
	D		
New Contractor	E	6/1/2017 thru 9/30/22	

Notwithstanding the automatic renewal of three (3) year commitment periods, this Contract will terminate on midnight of December 31, 2037 unless previously terminated.

- 5.3 A Contractor, on its individual behalf, or WAPA may terminate this Contract by providing written notice at least twenty-four (24) months prior to the start date of the next commitment period; provided, no such termination will become effective until the completion or termination of any ongoing transaction(s) undertaken pursuant to this Contract.
- 5.4 All financial obligations incurred pursuant to this Contract prior to its termination will be preserved until satisfied.
- 5.5 Negative financial impacts to remaining Contractors including but not limited to increased labor costs resulting from a Contractor’s decision to terminate and

withdraw outside of established procedures set forth in section 5.3 will be determined by WAPA in a commercially reasonable manner. Payment from the terminating Contractor will be paid to the remaining Contractors as directed by WAPA.

6. **DEFINITIONS:** For purposes of this Contract, capitalized terms defined in this Section 6 will have the meaning set forth below, whether used in the singular or plural:

6.1 **Additional Power** is any capacity and/or energy purchased by WAPA on behalf of the Contractors using the Contractors Trust Accounts.

6.2 **Aggregate Bank Account** is a bank account designated by the RMS Treasurer for funds paid from buyers on purchases of any excess resources, other than Federal Hydropower Resources which are transacted by WAPA on behalf of the Contractors.

6.3 **Aggregate Load** is all Contractors' metered loads combined in an integrated hourly format.

6.4 **Aggregate Resource** is all Contractors' Power Resources combined hourly to meet their Aggregate Load.

6.5 **Arizona Power Authority (APA)** is the body corporate and politic of the State of Arizona charged with Federal and State statutory obligations to receive, market and deliver the State of Arizona's entitlement to electric power generated at the BCP hydroelectric facility.

6.6 **Ancillary Services** are those services necessary to support the transmission of capacity and energy from resources to Contractors' Aggregate Load while

maintaining reliable operation of the transmission system in accordance with good utility practice.

- 6.7 **Balancing Authority (BA)** is the responsible entity that integrates resource plans ahead of time, maintains load-interchange-generation balance within a balancing authority area, and supports interconnection frequency in real time.
- 6.8 **Contract Rate of Delivery (CROD)** is the maximum amount of capacity a Contractor is entitled to receive in accordance with the Contractor's P-DP or SLCA/IP firm electric service contract with WAPA.
- 6.9 **Contractor Trust Account** is an account established by WAPA in the United States Treasury containing funds paid in advance from a Contractor that are immediately available to WAPA for making purchases on behalf of and providing other services to a Contractor, as provided under this Contract.
- 6.10 **Federal Hydropower Resources** are the capacity, energy, and Ancillary Services associated with Federal Hydropower Resources allocated to Federal preference power customers.
- 6.11 **Operating Board** is the board established pursuant to Section 10 of this Contract.
- 6.12 **Power Resources** are capacity, energy, and transmission products including, but not limited to, Federal Hydropower Resources and market based energy.
- 6.13 **Resource Management Services** are those services described in Section 8 including but not limited to management of Aggregate Resources to meet Aggregate Load through the transaction of Power Resources and the associated management of Contractor Trust Account and the Aggregate Bank Account.
- 6.14 **Third Party** is any party other than the Parties associated with this Contract.

- 6.15 **WECC** is the Western Electricity Coordinating Council or its successor(s).
- 6.16 **WSPP Agreement** is the Western Systems Power Pool Agreement, which is a default standardized contract for electric power sales, including physical options.
7. **TRANSMISSION ARRANGEMENT:** Upon entering into this Contract, each Contractor will identify, for scheduling purposes, transmission facilities, transmission contracts, or delivery rights capable of meeting its long-term firm or non-firm transmission service requirements as set forth in Attachments hereto.
8. **RESOURCE MANAGEMENT SERVICES:**
- 8.1 WAPA will make every reasonable effort to provide Resource Management Services in the best economic interests of the Contractors based on the information available to WAPA at the time. Costs associated with errors or penalties attributable to WAPA's actions on behalf of the Contractors are the responsibility of the Contractors, with the Operating Board determining an equitable share for each Contractor to contribute.
- 8.2 Acting on behalf of the Contractors, WAPA will conduct transactions in seasonal, monthly, daily, and hourly time frames, purchase Additional Power, and sell excess power that is not a Federal Hydropower Resource; balance the anticipated Aggregate Load with the anticipated Aggregate Resource; schedule, tag, and/or bid such resources to each specified delivery point in the most economic manner based on the information available at the time. WAPA will utilize funds from Contractor Trust Accounts to financially settle with Third Party supplier(s) and/or Regional Transmission or Independent System Operators (RTO/ISO) and direct funds from Third Party buyer(s) to the Aggregate Bank Account.

- 8.3 In the event additional transmission service is needed to augment the Contractor's existing aggregate transmission rights, WAPA will procure such transmission and associated Ancillary Services, utilizing funds from Contractor's Trust Accounts to settle with Third Party supplier(s) of additional transmission.
- 8.4 WAPA, at a Contractor's individual expense, shall provide other services as necessary to meet the requirements under this Contract.
- 8.5 BA and Ancillary Services provided by WAPA will be documented in exhibits attached hereto or through separate agreements executed by an individual Contractor and WAPA.
- 8.6 Additional services may be added for individual Contractors through exhibits or attachments hereto.
9. **SCHEDULING METHODOLOGY:** The following scheduling methodology will be used:
- 9.1 Each Contractor shall annually forecast its load on a monthly basis in cooperation with WAPA's scheduling personnel. Each Contractor shall notify WAPA of its available resources in advance of each scheduling month. WAPA will schedule the Contractors' Power Resources to match the monthly Aggregate Load requirements in the most economic manner based on information available at the time.
- 9.2 WAPA will aggregate the Contractors' loads and resources into an aggregate profile on a monthly basis. Each Contractor shall notify WAPA of its seasonal resources to be utilized as set forth in an attachment(s). WAPA will estimate the Aggregate Load hourly for each month.

- 9.3 The Contractors may exchange capacity and/or energy among themselves in order to maximize the use and efficiencies of the Aggregate Resource in accordance with procedures established by the Operating Board. Energy scheduled from BCP, P-DP, or SLCA/IP resources shall not exceed the combined sum of the Contractors' respective CROD or available capacity in a particular month.
10. **OPERATING BOARD**: The Operating Board is established to coordinate operating criteria for the Contractors' respective responsibilities under this Contract.
- 10.1 The Operating Board shall consist of one representative of each of the Contractors; and shall be chaired by a non-voting representative of WAPA (Chair). Each Contractor's representative shall be an officer, director, or full-time employee of the Contractor, or a consultant hired by the Contractor with the authority to commit and financially bind the Contractor in the performance of the duties delegated to the Operating Board as described in this Section 10 of this Contract.
- 10.2 Each new Contractor and WAPA shall give written notice to the other Contractors of the name of its Operating Board representative within five (5) working days after the date of execution of this Contract. Notice of any changes of Operating Board representatives shall be given by written notice to WAPA and the other Contractors. Each Contractor's Operating Board representative shall be authorized to act on behalf of such Contractor with respect to those responsibilities provided herein.
- 10.3 The Operating Board shall operate under majoritarian principles. The Operating Board shall be free to create and modify its rules and membership as it

determines, but shall have no authority to amend this Contract. WAPA may only veto an Operating Board rule that violates a Federal statute or regulation or WAPA policy. WAPA shall present to the Operating Board a written explanation of any such violation.

- 10.4 APA shall be entitled to attend and participate in Operating Board meetings, shall be notified of all Operating Board meetings, and shall be provided a copy of the agenda. Such participation is based on the understanding that the APA representative is a State of Arizona employee and the representative will sign a confidentiality agreement and maintain the confidentiality of information disclosed at such meetings. APA shall not cast a vote in the proceedings of the Operating Board.
- 10.5 As Chair of the Operating Board, WAPA will seek to maintain productive dialog and respectful interactions among the Operating Board.
- 10.6 The Operating Board shall meet from time to time as it shall determine necessary, but in no event less than once a year. A meeting shall be held upon a minimum of ten (10) days advance written notice from the Chair. The Chair may call a meeting upon his or her own motion or upon the written request of any Contractor. A proposed agenda for the meeting shall accompany the written notice from the Chair.
- 10.7 The Operating Board shall operate under Roberts Rules of Order, as may be relaxed by the Chair.
- 10.8 The Operating Board shall have authority to create such committees and subcommittees as it shall determine are necessary.

10.9 The Operating Board shall have the following duties:

10.9.1 To establish and appoint a treasurer (RMS Treasurer) to manage the Aggregate Bank Account and other accounts as needed.

10.9.2 To establish, in conjunction with WAPA, the implementation of Sections 7 and 8 of this Contract.

10.9.3 To establish rules and procedures for the accounting between and among the Contractors for transactions carried out pursuant to this Contract.

10.9.4 To establish, review, and/or modify procedures and standard practices consistent with the provisions hereof, as to matters affecting transactions under this Contract.

10.9.5 To mutually develop guidelines and recommend to WAPA mutually beneficial scheduling procedure modifications in connection with transactions under this Contract.

10.9.6 To perform other actions and carry out duties as required or authorized by this Contract.

11. **ADMISSION PROCEDURES:** Any entity which has a Federal Hydropower Resource allocation may apply for participation in this Contract by submitting an application to WAPA.

11.1 Upon receiving an application for participation from an entity which has a Federal Hydropower Resource, WAPA will forward the application to the Operating Board, which will determine if admission of the applicant would reduce the benefits to the Contractors. If the Operating Board determines that admission will reduce benefits it will, in good faith, propose options to address the reduction in

benefits and present them to the applicant and WAPA. The Operating Board will evaluate and act upon applications for admission consistent with Section 10 of this Contract. Upon agreeing to be bound by this Contract and such additional conditions as WAPA may require, an applicant shall become a Contractor under this Contract after executing a signature page to this Contract acceptable to WAPA.

11.2 Such additional Contractor(s) shall be entitled to representation on the Operating Board in the same manner as existing Contractors.

12. **WITHDRAWAL PROCEDURES:** Any Contractor may at any time withdraw from this Contract subject to the requirements of Section 5 herein. Any Contractor may elect to execute a separate agreement with WAPA to fulfill its remaining commitment period.

13. **POINT(S) OF INTERCONNECTION AND DELIVERY:** WAPA will schedule capacity and energy for delivery to Contractors at the points of interconnection and delivery identified in an attachment(s) hereto. If alternative transmission arrangements for delivery of energy produce potential benefits for the Contractors at no loss of revenue to WAPA, WAPA shall utilize the most reasonable arrangements available at the time.

14. **CALCULATION OF COMPENSATION:**

14.1 WAPA will provide services as described in this Contract and any exhibits and attachments as they may apply. Contractors will advance funds to WAPA for deposit into Contractor Trust Accounts to cover estimated expenses for all WAPA's costs of providing services under this Contract.

14.2 WAPA's costs will include its actual cost of market transactions and associated charges, including but not limited to, costs of transmission, transmission losses,

energy, capacity, Ancillary Services, merchant transaction fees, penalties, subcontractor charges, labor charges, associated administrative overhead and audit costs which may be required to deliver services under this Contract. Such costs will be from funds in Contractor Trust Accounts.

14.3 To the extent WAPA provides services to Contractors under other contracts that are the same or similar to services it provides under this Contract, it will not charge Contractors under this Contract.

14.4 It is the intention of the Parties that Contractors will pay under this Contract only for those services and resources received under this Contract and that WAPA will be compensated under this Contract only for providing those services and resources. The Parties agree to cooperate to develop and implement a method for preventing over or underpayment, as necessary.

14.5 All costs for work performed by WAPA pursuant to this Contract will be determined by WAPA; provided, that all such costs shall be determined in a reasonable manner.

14.6 All costs associated with this Contract will be identified and communicated to Contractors as soon as practical after they are determined and will be billed by WAPA in accordance with WAPA's General Power Contract Provisions (GPCP) as noted in Section 22 of this Contract.

15. **POWER ACCOUNTING AND TRANSACTIONS SUPPORT:**

15.1 WAPA will issue itemized monthly power accounting and transaction statements to Contractor for the services provided under this Contract by the end of the month following the month transactions occurred, or as soon as applicable data is

available and final. Preliminary data will be made available at Contractor's request. The power accounting and transactions statements will include data set forth in applicable attachments hereto.

15.2 At a Contractor's request, WAPA will produce an annual statement summarizing all power transactions executed pursuant to this Contract. Such statement will be in accordance with the format mutually agreed to by Contractor and WAPA.

15.3 The power accounting and billing period for this Contract will be one (1) calendar month, unless otherwise specified.

15.4 **Contractor Trust Account:**

15.4.1 WAPA will establish non-interest bearing Contractor Trust Accounts for each Contractor in the United States Treasury for deposit of funds, which will be immediately available to WAPA. Separate Contractor Trust Accounts will be established, as needed, to fund both Additional Power and transmission purchases or labor and overhead charges, as provided for under this Contract.

15.4.2 WAPA's costs, including transaction fees and allocable expenses associated with purchases and sales of resources, transmission, and Ancillary Services for a Contractor, will be charged to the applicable Contractor Trust Accounts.

15.4.3 In the event WAPA determines that funds in a Contractor Trust Account is insufficient to make purchases or provide services during the month, Contractor agrees to advance to WAPA a mutually agreed upon amount of funds sufficient to meet Contractor needs. Advances will be invoiced to

Contractor and be payable to WAPA by the date specified on the invoice.

WAPA and Contractors will collaborate on when invoices are due to allow adequate time for payments.

15.4.4 At the conclusion of WAPA's fiscal year, any balance of funds in any Contractor Trust Account will be applied to reduce future required

advanced funds or returned to Contractor at Contractor's request.

15.4.5 WAPA will return any remaining balances in the Contractor Trust

Accounts at the termination of this Contract, without any interest whatsoever, after all financial obligations are satisfied.

15.4.6 WAPA will be under no obligation to provide Additional Power,

transmission, labor, or any other services if sufficient funds are not available in the Contractor Trust Account to cover costs.

15.4.7 WAPA will reconcile monthly Contractor Trust Account balances so that

each Contractor is responsible for its share of the cost of Resource

Management Services based on its proportionate share of the Aggregate

Load, and estimated purchase requirements subject to the approval of the

Operating Board and provide reporting to the Contractors upon request.

15.5 **Aggregate Bank Account:**

15.5.1 The RMS Group will designate bank accounts pursuant to Section 10.8.1

of this Contract that WAPA will utilize to direct funds for any surplus

resource that WAPA sells, other than Federal Hydropower Resources, to

other entities on the Contractors behalf.

15.5.2 Each month, WAPA will bill entities pursuant to Section 8.2 of this Contract, under terms consistent with the then current WSPP Agreement, and cause the receipts of such sales to be deposited into the Aggregate Bank Account.

15.6 **Electronic Metering:** Any costs incurred by WAPA associated with the transfer of electronic meter information and the integrity of the meter information will be the sole responsibility of the Contractor.

16. **DISPUTE RESOLUTION:**

16.1 In the event of a dispute under this Contract, the Parties will continue to perform their respective obligations hereunder; provided, that none of the Parties will be required to take any action pending the resolution of a dispute based on the advice of counsel or which it reasonably believes is unlawful or not permitted pursuant to existing regulations. Other than disputes relating to safety, the Parties agree that prior to exercising of any rights available at law, the Parties will refer any dispute to their respective senior management for resolution, who will endeavor in good faith for a period of sixty (60) days to achieve a resolution of the disputed matter.

16.2 If the Parties are unable to resolve the dispute in good faith within sixty (60) days from when the matter was referred to senior management, the Parties may exercise any of their legal and equitable rights available to resolve such dispute.

17. **SEVERABILITY:** To the fullest extent possible, each term of this Contract will be interpreted in such fashion as to be effective and valid under applicable law. If any provision of this Contract is declared void or unenforceable, such provision shall be deemed severed from this Contract, which shall otherwise remain in full force and effect.

18. **EXISTING AGREEMENTS PRESERVED:** Nothing in this Contract will be interpreted to supersede the requirements of any existing agreement unless otherwise expressly stated herein.
19. **AMENDMENTS AND MODIFICATIONS:** This Contract may be amended or modified by the Parties only by mutual written agreement duly executed by all the Parties. The Parties shall negotiate in good faith to modify this Contract if necessary to provide each Party with the rights and benefits stipulated herein.
20. **EXHIBITS:** Exhibit A, attached hereto and incorporated herein, shall remain in effect until superseded by a subsequent Exhibit A. Exhibits may be modified by mutual written agreement of WAPA and the Contractor. New exhibits may be added in the future, as required, and shall be made part of this Contract by mutual written agreement of WAPA and the Contractor.
21. **ATTACHMENTS:** Inasmuch as certain terms of this Contract may change during the term of this Contract, they may be set forth in attachments as formulated and modified from time to time. The initial attachments are attached hereto, and each is incorporated into this Contract in accordance with its respective terms until superseded by a subsequent attachment. WAPA is responsible for updates to Attachment Nos. 1 and 2 and Contractor is responsible for updates to Contractor Power Resources and Points of Delivery attachments. Changes, additions, or modifications to attachments shall be reflected in new or revised attachments and will be distributed in accordance with Provision 40 of the GPCP. The Parties mutually agree that changes and/or updates to attachments and the designation of the entity responsible for making changes and/or updates will be reflected in the new attachment.

22. **GENERAL POWER CONTRACT PROVISIONS:** The General Power Contract Provisions (GPCP), effective September 1, 2007, are attached hereto as Attachment No. 1, and are hereby made a part of this Contract as they may apply in the same manner as if they had been expressly set forth herein; provided, that if the provisions in the GPCP are in conflict with this Contract, the terms of this Contract will control.
23. **AUTHORITY TO EXECUTE:** Contractor and WAPA certify that the individual executing this Contract on behalf of a Contractor or WAPA is duly authorized to execute this Contract which binds and obligates the party.
24. **EXECUTION BY COUNTERPARTS:** 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 all 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.
25. **GOVERNING LAW:** This Contract shall be interpreted, governed by, and construed under the laws of the United States and the State of Arizona, as applicable.
26. **AUDIT:**
- 26.1 Each Party shall have the right, at its own expense, to designate an employee representative(s) or contracted representative(s) of a certified public accounting firm to audit and to examine any cost, payment, settlement, or supporting documentation associated with service provided under this Contract. Any such audit(s) shall be undertaken only after ten (10) days' written notice is given to all

other Parties. Audits shall be performed at reasonable times and in conformance with generally accepted auditing standards. The Party being audited agrees to fully cooperate with any such audit(s). This right to audit shall extend for a period of three (3) years following the date of each payment under this Contract. The Parties agree to retain all records and documentation associated with service under this Contract during this audit period.

- 26.2 The Party conducting an audit shall notify the other Parties in writing of any exception taken as a result of an audit. The other Parties shall respond to such notification within thirty (30) days.

The Party listed below has caused this Amendment No. 6, to Contract No. 97-DSR-10820, as revised and restated, has been executed by duly authorized representative of WAPA, and is to be effective in accordance with Section 5, herein.

**DEPARTMENT OF ENERGY
WESTERN AREA POWER
ADMINISTRATION**

By _____
 John T. Paulsen
Title _____ Manager, Energy Management and
 Marketing Office
Address _____ Desert Southwest Region

 P.O. Box 6457

 Phoenix, AZ 85005-6457

The Party listed below has caused this Amendment No. 6, to Contract No. 97-DSR-10820, as revised and restated, has been executed by duly authorized representative of the Contractors, and is to be effective in accordance with Section 5, herein.

AHA MACAV POWER SERVICE

(SEAL)

Attest:

Title

By _____

Wayne Nelson
Title Board Chairman

Address 8780 South Highway 95

Mohave Valley, AZ 86440

The Party listed below has caused this Amendment No. 6, to Contract No. 97-DSR-10820, as revised and restated, has been executed by duly authorized representative of the Contractors, and is to be effective in accordance with Section 5, herein.

CITY OF MESA

(SEAL)

Attest:

Title

By_____

Christopher J. Brady
Title_____City Manager

Address_____

The Party listed below has caused this Amendment No. 6, to Contract No. 97-DSR-10820, as revised and restated, has been executed by duly authorized representative of the Contractors, and is to be effective in accordance with Section 5, herein.

**ELECTRICAL DISTRICT NO. 2
PINAL COUNTY, ARIZONA**

(SEAL)

Attest:

Title

By_____

Ken Robbins

Title_____

General Manager

Address_____

5575 North Eleven Mile Corner Road

Casa Grande, AZ 85194-9103

The Party listed below has caused this Amendment No. 6, to Contract No. 97-DSR-10820, as revised and restated, has been executed by duly authorized representative of the Contractors, and is to be effective in accordance with Section 5, herein.

TOWN OF FREDONIA

(SEAL)

Attest:

Title

By_____

Randy Griffiths
Title_____Mayor

Address_____25 North Main Street

_____Fredonia, AZ 86022

The Party listed below has caused this Amendment No. 6, to Contract No. 97-DSR-10820, as revised and restated, has been executed by duly authorized representative of the Contractors, and is to be effective in accordance with Section 5, herein.

CORTARO-MARANA IRRIGATION DISTRICT

(SEAL)

Attest:

Title

By_____

Tom Hum
Title_____ Board President

Address_____ 12253 West Grier Road

_____ Marana, AZ 85653

TOWN OF FREDONIA OTHER SERVICES

1. This Exhibit A-1.Fredonia (Exhibit A-1.Fredonia), made this 31st day of October, 2016, to be effective under and as part of Contract No. 97-DSR-10820, as amended and restated (Contract), shall become effective on September 30, 2016. This Exhibit A-1.Fredonia shall remain in effect until superseded by another Exhibit A-1.Fredonia; provided, this Exhibit A-1.Fredonia, or any superseding Exhibit A-1.Fredonia, shall terminate upon expiration of the Contract.
2. **BALANCING AUTHORITY SERVICES**: WAPA shall provide the Contractor with the following Balancing Authority (BA) Services:
 - 2.1 **Scheduling, System Control and Dispatch Service**: This Service is required to schedule the movement of power through, out of, within, or into a BA.
 - 2.2 **Reactive Supply and Voltage Control from Generation Sources Service**: In order to maintain transmission voltages on the Transmission Provider's transmission facilities within acceptable limits, generation facilities under the control of the BA operator are operated to produce (or absorb) reactive power. The amount of Reactive Supply and Voltage Control from Generation Sources Service to be supplied with respect to the transmission customer's transaction will be determined based on the reactive power support necessary to maintain transmission voltages within limits generally accepted in the region and consistently adhered to by the Transmission Provider.

- 2.3 **Regulation and Frequency Response Service:** Regulation and Frequency Response Service is necessary to provide for the continuous balancing of resources (generation and interchange) with load and for maintaining scheduled Interconnection frequency at sixty cycles per second (60 Hz). Regulation and Frequency Response Service is accomplished by committing on-line generation whose output is raised or lowered (predominantly through the use of automatic generating control equipment) as necessary to follow the moment-by-moment changes in load. The transmission customer must either purchase this service from the Transmission Provider or make alternative comparable arrangements to satisfy its Regulation and Frequency Response Service obligation.
- 2.4 **Energy Imbalance Service:** Energy Imbalance Service is provided when a difference occurs between the scheduled and the actual delivery of energy to a load located within a BA over a single hour. The transmission customer must either obtain this service from the Transmission Provider or make alternative comparable arrangements to satisfy its Energy Imbalance Service obligation.
- 2.5 **Operating Reserve - Spinning Reserve Service:** Spinning Reserve Service is needed to serve load immediately in the event of a system contingency. Spinning Reserve Service may be provided by generating units that are on-line and loaded at less than maximum output. The transmission customer must either purchase this service from the Transmission Provider or make alternative comparable arrangements to satisfy its Spinning Reserve Service obligation.

2.6 **Operating Reserve - Supplemental Reserve Service:** Supplemental Reserve

Service is needed to serve load in the event of a system contingency; however, it is not available immediately to serve load but rather within a short period of time.

The transmission customer must either purchase this service from the Transmission Provider or make alternative comparable arrangements to satisfy its Supplemental Reserve Service obligation.

3. This Exhibit A-1.Fredonia to Contract No. 97-DSR-10820, as amended and restated, may be modified in accordance with Section 20 of the Contract.

Exhibit A-1.Fredonia
Contract No. 97-DSR-10820
Town of Fredonia

The Parties listed below have caused this Exhibit A-1.Fredonia to Contract
No. 97-DSR-10820, as amended and restated, has been executed by duly authorized
representative of WAPA and Contractor, and is to be effective in accordance with Section 1,
herein.

**DEPARTMENT OF ENERGY
WESTERN AREA POWER
ADMINISTRATION**

By _____
John Paulsen
Title _____
Manager, Energy Management and
Marketing Office
Address _____
Desert Southwest Region

P.O. Box 6457

Phoenix, AZ 85005-6457

TOWN OF FREDONIA

(SEAL)

Attest:

By _____
Randy Griffiths
Title _____
Mayor
Address _____
25 North Main Street

Fredonia, AZ 86022

Name

Title

BILLING AND POWER ACCOUNTING DATA

1. This Attachment No. 2, dated October 31, 2016, is effective under and as a part of Contract No. 97-DSR-10820 (Contract).
2. WAPA will provide Contractor with the following billing and power accounting data in accordance with Section 15 of the Contract:
 - 2.1 Megawatt hours and dollars for each energy purchase and sale transaction that WAPA executes on behalf of Contractors, and the term of delivery (daily, hourly, etc.) for each purchase and sale.
 - 2.2 Monthly energy imbalances between WAPA BA and Contractors that are carried forward into subsequent months, in megawatt hours, unless an alternative settlement is required by WAPA Open Access Transmission Tariff (OATT).
 - 2.3 Megawatt hours and dollars for each transmission purchase and sale transaction made by WAPA on behalf of Contractors, and the term of delivery (daily, hourly, etc.) for each purchase and sale.
 - 2.4 Monthly accounting for all labor costs under this Contract.
 - 2.5 Hourly record of total resources in megawatt hours tagged to Contractor loads.
 - 2.6 Hourly record of metered loads and peaks by Contractor.
 - 2.7 Monthly summary of transactions for cost attribution as requested by the Contractors.
3. In accordance with Section 21 of the Contract, WAPA is responsible for updates to this Attachment No. 2.
4. This Attachment No. 2 may be modified in accordance with Section 21 of the Contract.

CONTRACTOR POWER RESOURCES AND POINTS OF DELIVERY

1. This Attachment No. 3.AMPS, dated October 31, 2016, is effective under and as a part of Contract No. 97-DSR-10820 (Contract).
2. Contractor Power Resources
 - 2.1 Generation
 - 2.1.1 Parker Davis Project contract No. 87-BCA-10091
 - 2.1.2 Parker Davis Project contract No. 07-DSR-11759 (Pechanga Benefit Crediting)
 - 2.1.3 Colorado River Storage Project contract No. 02-DSR-11362
 - 2.1.4 Energy and Capacity allocated to Aha Macav Power Service by the Arizona Power Authority from the Boulder Canyon Project
 - 2.1.5 Powerex Corporation
 - 2.1.6 Energy and Capacity provided by either purchase or exchange from the Resource Management Service group
 - 2.2 Transmission
 - 2.2.1 Network Transmission provided by WAPA
3. Points of Delivery
 - 3.1 Mead Substation 230-kV
4. In accordance with Section 21 of the Contract, the Contractor is responsible for updates to this Attachment No. 3.AMPS.
5. This Attachment No. 3.AMPS may be modified in accordance with Section 21 of the Contract.

CONTRACTOR POWER RESOURCES AND POINTS OF DELIVERY

1. This Attachment No. 3.CMID, dated October 31, 2016, is effective under and as a part of Contract No. 97-DSR-10820 (Contract).
2. Contractor Power Resources
 - 2.1 Generation
 - 2.1.1 Energy and Capacity allocated to Cortaro-Marana by the Arizona Power Authority from the Boulder Canyon Project
 - 2.1.2 Energy and Capacity provided by either purchase or exchange from the Resource Management Service group
 - 2.2 Transmission
 - 2.2.1 NA
3. In accordance with Section 21 of the Contract, the Contractor is responsible for updates to this Attachment No. 3.CMID.
4. This Attachment No. 3.CMID may be modified in accordance with Section 21 of the Contract.

CONTRACTOR POWER RESOURCES AND POINTS OF DELIVERY

1. This Attachment No. 3.ED2, dated October 31, 2016, effective under and as a part of Contract No. 97-DSR-10820 (Contract).
2. Contractor Power Resources
 - 2.1 Generation
 - 2.1.1 Parker Davis Project contract No. 07-DSR-11768 (Hohokam)
 - 2.1.2 Colorado River Storage Project contract No. 87-BCA-10001
 - 2.1.3 Energy and Capacity allocated to Electrical District No. 2 and Hohokam by the Arizona Power Authority from the Boulder Canyon Project.
 - 2.1.4 Southwest Public Power Resources Group
 - 2.1.5 Signal Solar
 - 2.1.6 Citigroup Energy Inc.
 - 2.1.6 Energy and Capacity provided by either purchase or exchange from the Resource Management Service group
 - 2.3 Transmission
 - 2.3.1 Network Transmission provided by WAPA
3. Points of Delivery
 - 3.1 Pinnacle Peak Substation 230-kV
 - 3.2 Palo Verde Substation 500-kV
4. In accordance with Section 21 of the Contract, the Contractor is responsible for updates to this Attachment No. 3.ED2.
5. This Attachment No. 3.ED2 may be modified in accordance with Section 21 of the Contract.

CONTRACTOR POWER RESOURCES AND POINTS OF DELIVERY

1. This Attachment No. 3.Fredonia, dated October 31, 2016, effective under and as a part of Contract No. 97-DSR-10820 (Contract).
2. Contractor Power Resources
 - 2.1 Generation
 - 2.1.1 Parker Davis Project contract No. 87-BCA-10092
 - 2.1.2 Energy and Capacity allocated to Town of Fredonia by the Arizona Power Authority from the Boulder Canyon Project
 - 2.1.3 Energy and Capacity provided by either purchase or exchange from the Resource Management Service group
 - 2.2 Transmission
 - 2.2.1 Network Transmission provided by WAPA under contract No. 08-SLC-0620
3. Points of Delivery
 - 3.1 Pinnacle Peak Substation 230-kV
4. In accordance with Section 21 of the Contract, the Contractor is responsible for updates to this Attachment No. 3.Fredonia.
5. This Attachment No. 3.Fredonia may be modified in accordance with Section 21 of the Contract.

CONTRACTOR POWER RESOURCES AND POINTS OF DELIVERY

1. This Attachment No. 3.Mesa, dated October 31, 2016, is effective under and as a part of Contract No. 97-DSR-10820 (Contract).
2. Contractor Power Resources
 - 2.1 Generation
 - 2.1.1 Parker Davis Project contract No. 87-BCA-10085
 - 2.1.2 Colorado River Storage Project contract No. 87-BCA-10001
 - 2.1.3 Shell Energy North America
 - 2.1.4 Constellation Energy
 - 2.1.5 Energy and Capacity provided by either purchase or exchange from the Resource Management Service group
 - 2.2 Transmission
 - 2.2.1 Point to Point Transmission provided by WAPA under contract No. 08-DSR-11804
 - 2.2.2 Point to Point Transmission provided by WAPA under contract No. 08-DSR-11813
3. Points of Delivery
 - 3.1 Pinnacle Peak Substation 230-kV
 - 3.2 Rogers Substation 230-kV
4. In accordance with Section 21 of the Contract, the Contractor is responsible for updates to this Attachment No. 3.Mesa.
5. This Attachment No. 3.Mesa may be modified in accordance with Section 21 of the Contract.