

**EKLUTNA HYDROELECTRIC PROJECT**

**Agreement for Extension of**

**"1996 EKLUTNA HYDROELECTRIC PROJECT TRANSITION PLAN"**

**by and among**

**THE MUNICIPALITY OF ANCHORAGE d/b/a MUNICIPAL LIGHT & POWER;  
CHUGACH ELECTRIC ASSOCIATION, INC.; and  
MATANUSKA ELECTRIC ASSOCIATION, INC.**

Date: 12-12-17 Exh # H-130  
Regulatory Commission of Alaska  
U-16-094 By: BP U-17-008  
Northern Lights Realtime & Reporting, Inc.  
(907) 337-2221

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**THE MUNICIPALITY OF ANCHORAGE d/b/a MUNICIPAL LIGHT & POWER;  
CHUGACH ELECTRIC ASSOCIATION, INC.; and  
MATANUSKA ELECTRIC ASSOCIATION, INC.**

The parties to this Agreement are the Eklutna Purchasers as defined in the 1996 Eklutna Hydroelectric Project Transition Plan (Transition Plan). The Eklutna Purchasers recognize that common interests exist regarding the ownership, operation, and maintenance of the Eklutna Project. The Eklutna Purchasers hereby extend the Transition Plan as modified by this Agreement.

The Eklutna Purchasers further recognize that obligations of the Eklutna Purchasers under the terms of the Alaska Power Administration Asset Sale and Termination Act, as well as obligations of the Alaska Power Administration and successor agencies, continue beyond the Transaction Date, and that the execution of this Agreement in no way relieves the Alaska Power Administration nor any Purchaser of such continuing obligations.

All capitalized terms not defined herein shall have the same meaning given them in the Transition Plan (including exhibits).

Therefore, the Parties agree to extend the Transition Plan as follows:

THIS Agreement for the Extension of the Transition Plan incorporates by reference the following documents and all of the rights, obligations, requirements, and provisions therein:

The 1996 Transition Plan, consisting of thirteen Sections contained on ten pages; incorporating therein, specifically:

- Exhibit A, consisting of 33 pages;
- Exhibit B, consisting of 5 pages;
- Exhibit C, consisting of 12 pages;
- Exhibit D, consisting of 25 pages; and,
- Exhibit E, consisting of 9 pages.

THE Parties further agree to the following modifications with regard to the 1996 Transition Plan by this Agreement:

1. The Transition Plan will not expire upon completion of the tasks specified therein. However, the arrangements and timetable for transfer of operations, maintenance, and power marketing, as well as operation, maintenance, and administration of the Project will no longer require consultation with APA, nor will office space and access be provided for an APA real estate person after the Transaction Date. (Reference: Transition Plan Section 2 and Section 5)
2. The transfer of data and documents to the Eklutna Purchasers after the Transaction Date shall occur no later than January 1, 1998. (Reference: Transition Plan Section 7)
3. The effective date of this Agreement shall be the Transaction Date, but in any event no later than November 28, 1997.
4. The division of responsibilities among the Eklutna Purchasers after the Transaction Date will be as described in Exhibit E, Paragraph (A)(2).
5. The sixth sentence of Paragraph (A) (3) of Exhibit E is modified to delete reference to an "Ownership and Operating Agreement," and as so modified reads as follows: "Decisions of the EOC will be by double majority (a vote of two of the three Eklutna Purchasers whose shares total at least 51% of the Eklutna Project shares) unless otherwise agreed to by the Eklutna Purchasers."


THE parties further agree to the following in regard to the ownership, operation, and maintenance of the Eklutna Project:

1. An Eklutna Purchaser's interest in the Eklutna Project will not be modified or changed by any assignment or transfer, except upon consent of each Eklutna Purchaser. An Eklutna Purchaser's interest may be transferred or assigned among the Eklutna Purchasers in proportion to their respective Project interest or by such other allocation as to which each Eklutna Purchaser agrees. Transfer or assignment of an Eklutna Purchaser's interest to entities other than an Eklutna Purchaser will be subject to a first right of refusal by the remaining Eklutna Purchasers, with such right to be exercised within 180 days of receipt of written notification. If no remaining Eklutna Purchaser elects to acquire such interest, the transferring Eklutna Purchaser shall indemnify the remaining Eklutna Purchasers for all expenditures which would not otherwise be required, but for which the Eklutna Project becomes obligated in meeting licensing requirements and regulations which were exempted for the original Eklutna Purchasers under the Alaska Power Administration Asset Sale and Termination Act.
2. The terms and conditions of this Agreement will apply to any successor or assign of an Eklutna Purchaser, whether such succession or assignment results from security assignment, merger, acquisition, or any other disposition by the Eklutna Purchaser of its Eklutna Project share.


3. Exhibits A through D of the CONTRACT FOR ELECTRIC SERVICE TO THE CHUGACH ELECTRIC ASSOCIATION, INC.; MATANUSKA ELECTRIC ASSOCIATION, INC.; AND MUNICIPALITY OF ANCHORAGE, MUNICIPAL LIGHT & POWER, Contract No. DE-SC85-95AP10042 shall continue in effect until such time as revised or terminated by action of the EOC. Should any part of these Exhibits A through D conflict with the Transition Plan as modified by this Agreement, the Transition Plan shall prevail.

Dated at Anchorage, Alaska this 2nd day of October 1997.


Municipality of Anchorage

  
\_\_\_\_\_  
Larry D. Crawford  
Municipal Manager

Chugach Electric Association, Inc.

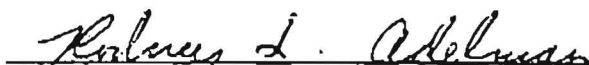
  
\_\_\_\_\_  
Eugene N. Bjornstad  
General Manager

Matanuska Electric Association, Inc.

  
\_\_\_\_\_  
Wayne D. Carmony  
General Manager

The APA hereby states its non-objection to the foregoing Agreement for Extension of  
"1996 EKLUTNA HYDROELECTRIC PROJECT TRANSITION PLAN"

Alaska Power Administration, a unit of the  
U.S. Department of Energy

  
Rodney L. Adelman  
Administrator

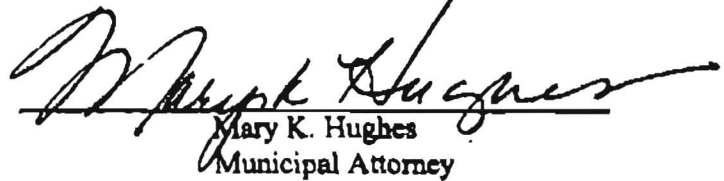
**RECOMMENDED:**

**Anchorage Municipal Light & Power**

  
Hank Nikkels  
Acting General Manager

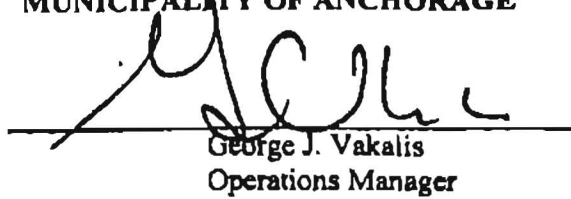
**APPROVED AS TO FORM:**

**MUNICIPALITY OF ANCHORAGE**

  
Mary K. Hughes  
Municipal Attorney

**RECOMMENDED:**

**MUNICIPALITY OF ANCHORAGE**

  
George J. Vakalis  
Operations Manager