

**MINUTES OF LEPA UNIT NO. 1 PARTICIPANTS COMMITTEE  
AND OPERATING COMMITTEE MEETING OF  
LOUISIANA ENERGY AND POWER AUTHORITY (LEPA)  
HELD AT THE OFFICES OF LEPA IN LAFAYETTE, LOUISIANA ON  
OCTOBER 18, 2018**

The members of the LEPA Unit No. 1 Participants Committee and Operating Committee held a meeting on October 18, 2018, at the LEPA Administrative Building, 210 Venture Way, Lafayette, Louisiana after due notice of said meeting.

Present for the Operating Committee were:

Mayor Chuck Robichaux, Chairman  
Mayor Buz Craft, Vice Chairman  
Mayor Frank "Boo" Grizzaffi

Absent were:

Mayor Edwin "Ed" Reeves, Secretary-Treasurer  
President Gordon Dove

Present for the Participants Committee were:

Mayor Chuck Robichaux  
Mayor Buz Craft  
Mayor Frank "Boo" Grizzaffi  
Ernest Brown

Absent were:

Mayor Edwin "Ed" Reeves  
Mayor Hiram Evans

Non-voting member present:

Cordell Grand, General Manager

The meeting was called to order and the presence of quorums for both the Operating Committee and the LEPA Unit No. 1 Participants Committee were noted. The Pledge of Allegiance was recited.

On motion by Mayor Craft that was seconded by Mayor Grizzaffi, the Minutes of the August 16, 2018 Operating Committee Meeting were unanimously approved as circulated to Committee members.

General Manager Cordell Grand then gave an update on wholesale power costs. He reported that there is a comparison in the Members' packets for a cost from September 17<sup>th</sup>

through August, 2018. He further reported that September costs for full requirement service members were 55 mills with an energy cost of 36 mills. Additionally, he reported that the price of energy had been rising but has started to drop. The twelve month strip for natural gas was at \$3.00. It is anticipated that the twelve month strip for natural gas in November will be at \$3.24, and the twelve month strip for natural gas in December will be at \$3.30. He further reported that a long term graph in Members' packets for the price of natural gas indicates that the price should eventually trend down.

Assistant General Manager Kevin Bihm then reported on the disposition of Rodemacher Unit. No. 2. He reported that a leak was discovered in the natural gas line going into the plant. The unit was taken down on October 16<sup>th</sup>. It should have been operable by 8:00 p.m. Friday, October 19<sup>th</sup>. A tube leak had been repaired on October 11<sup>th</sup>. The unit is running at minimum limit. Mr. Brown then inquired as to the possibility of converting the Rodemacher Unit to natural gas. There then ensued a general discussion about that.

Assistant General Manager Bihm then gave an update on LEPA Unit No. 1 operations. The only issue at that time was that a combustion turbine had temperature sensors that were not performing properly. A wire harness had gone bad. G.E. was called and there was a three day outage. A harness was replaced. Also, as was reported during the last meeting, a steam unit had been down due to a capacitor problem causing an increase in prices. That capacitor problem was solved in September. Assistant General Manager Bihm then reported that there will be a fall outage for the unit from November 7<sup>th</sup> through November 16<sup>th</sup>.

General Manager Grand then reported that LEPA had been approached regarding natural gas purchase options.

General Manager Grand then reported on the language extending the LEPA Unit No. 1 Project Support Agreements with Plaquemine and Rayne, copies of which were in Members' packets. On motion by Mayor Grizzaffi that was seconded by Mayor Craft, the Participants Committee unanimously approved the LEPA staff to approach the City of Rayne and the City of Plaquemine with the proposed language with the understanding that the proposed language would have be approved by the full Board of Directors.

General Manager Grand then reported on bi-lateral energy purchases.

General Manager Grand then reported on an offer by the natural gas supplier to increase the supply of natural gas associated with the natural gas purchase options. There then ensued a general discussion about that topic.

General Manager Grand then reported on the proposed 2019 Budgets, copies of which were in Members' packets. He reported that the Full Requirements Service Budget includes a two and one-half percent cost of living increase for all employees.

There being no further business before the Operating Committee and the LEPA Unit No. 1 Participants Committee, on motion by Mayor Craft that was seconded by Mayor Grizzaffi, the members of such Committees unanimously voted to adjourn the meetings.

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Chairman

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Sec.-Treasurer