

**MINUTES OF MEETING OF OPERATING COMMITTEE OF
LOUISIANA ENERGY AND POWER AUTHORITY (LEPA)
HELD AT THE OFFICES OF LEPA IN LAFAYETTE, LOUISIANA ON
AUGUST 16, 2018**

The members of the Operating Committee of LEPA held a meeting on August 16, 2018, at the LEPA Administrative Building, 210 Venture Way, Lafayette, Louisiana after due notice of said meeting.

Voting members present:

Mayor Chuck Robichaux, Chairman

Mayor Buz Craft, Vice Chairman

Mayor Frank "Boo" Grizzaffi

Absent from the Operating Committee Meeting:

Mayor Edwin "Ed" Reeves, Secretary-Treasurer

President Gordon Dove

Non-voting member present:

Cordell Grand, General Manager

The meeting was called to order and the presence of a quorum was noted. The Pledge of Allegiance was recited.

On motion by Mayor Craft that was seconded by Mayor Grizzaffi, the Minutes of the May 17, 2018 meeting of the Operating Committee were unanimously approved as circulated to Committee members.

General Manager Cordell Grand then gave an update on wholesale power costs. He reported that June costs averaged 55 mills with energy costs at 40 mills. July costs were at 51 mills with energy at 34 mills. August energy costs are estimated to be at 37 mills. Mr Grand also noted that natural gas prices were still below \$3.00/MMBTU.

Assistant General Manager Kevin Bihm then gave an update on the disposition of Rodemacher Unit No. 2. He reported that the unit has been online for the entire month of August and has been dispatched to max load nearly every day of the month.

An update on LEPA Unit No. 1 operations was given by Mr. Bihm. He indicated that numerous parts have been changed on the variable geometry system on the GE Combustion Turbine since installation, with the last part being an actuator that was changed out in May of 2018. The plant has not experienced any issues with the variable geometry system on the GE Combustion Turbine since May of 2018.

Mr. Bihm also reported that a surge capacitor on the Siemens Steam Turbine malfunctioned. A replacement capacitor is being sought out through Siemens and other suppliers. He added that the steam turbine will be unavailable until a replacement surge capacitor is installed, however the combustion turbine is still available and being offered into the MISO market.

General Manager Grand discussed the benefits of extending the LEPA Unit No. 1 Project Support Agreements (PSA) with Plaquemine and Rayne. Mr Grand explained the history of the PSA, the intent of the agreements and how the agreements being in place over the past 3 years had leveled the billing between the LEPA Unit 1 participants.

On motion by Mayor Grizzaffi that was seconded by Mayor Craft, the members of the Operating Committee agreed to allow staff to move forward with amending & extending the project support agreements with Plaquemine and Rayne.

There being no further business before the Operating Committee, on motion by Mayor Craft that was seconded by Mayor Grizzaffi, the members of such committees unanimously voted to adjourn the meeting.

Chairman

Sec.-Treasurer