

**DETAILS AND EXPLANATIONS
of the
COMPUTER DERIVED SPREADSHEET**

Details and explanations of the computer derived spreadsheet follow:

(1) Column 1 shows the historical average annual flow, in thousands of acre-feet, diverted for power generation (see page 2 of Exhibit B).

(2) Column 2 is projected Power Water Interference, in thousands of acre-feet, (see page 4 of Exhibit B).

(3) Column 3 will show the actual Power Water Interference, in thousands of acre-feet, calculated from the Provo River Commissioner's report.

(4) Column 4 will show the difference between the expected Power Water Interference and the actual Power Water Interference, expressed in thousands of acre-feet. If there is more Power Water Interference than projected, a positive value is shown. If there is less Power Water interference than projected, a negative value is shown.

(5) Column 5 shows the 5% error band, expressed in thousands of acre-feet, that allows for a variance from the projected Power Water Interference (column 3) within which Interference Credits available for the District will not be calculated and Interference Debits for which UP&L will not be compensated. The error band has been agreed to and is calculated as 5% of the projected Power Water Interference. If the absolute value of the difference shown in column 4 is less than the 5% error band in column 5, Interference Credits or Interference Debits are zero for that year.

(6) Column 6 will show the Interference Credit for the District for the current year in thousands of acre-feet. If the number shown in column 4 (Change in Diversion) is negative (meaning there was a smaller Interference than expected for that year) and if the absolute value of the number in column 4 is greater than the number in column 5 (5% Error Band), the Interference Credit is equal to the absolute value of the number in column 4. This is a positive number, outside the 5% Error Band, expressed in thousands of acre-feet of water less than projected Power Water Interference. Otherwise the number placed in column 6 is zero.

(7) Column 7 (Interference Credits in MWh) will show the thousands of acre-feet in column 6 converted to equivalent megawatt-hours. This is done by multiplying the thousands of acre-feet shown in column 6 by 270.483410.

(8) Column 8 will show the Interference Debits for UP&L for the current year in thousands of acre-feet. If the number shown in column 4 (Change in Diversion) is positive (meaning there was a larger Interference than expected for the year) and if the number in column 4 is greater than the number in column 5 (5% Error Band), the Interference Debit is equal to the negative of the number in column 4. This is a negative number, outside the 5% error band, expressed in thousands of acre-feet of water in excess of the projected Power Water Interference. Otherwise the number placed in column 8 is zero.

(9) Column 9 (Interference Debits in MWh) shows the thousands of acre-feet in column 8 converted to equivalent megawatt-hours. This is done by multiplying the thousands of acre-feet shown in column 8 by 270.483410.

(10) Columns 10 and 11 are used to track the Pooling Account and show the status of the Pooling Account at the beginning of the water year just ended (column 10) and the ending balance for that year (column 11).

(11) Column 10 (Begin Balance Account MWh) is set to zero in year one. In subsequent years, where the ending balance of the previous year is greater than zero, the beginning balance is set equal to the previous year's ending balance. Otherwise the beginning balance is set to zero, reflecting the fact that ending year balances that are less than zero are brought to zero by an end of year payment to UP&L in cash or energy.

(12) Column 11 (End Balance Account MWh) is the sum of the beginning balance in MWh's (Column 10), the Interference Debits in MWh's (column 9), and the Interference Credits in MWh's (column 7) of the year just ended. If the ending balance (column 11) is greater than zero, the balance is carried forward to the beginning balance of the next year (column 10). If the ending balance is less than zero, it is brought to zero by an end of year payment to UP&L in cash or energy.

(13) Payment made to UP&L may be made in any combination of delivered energy or cash equal to the cash amount shown in the column 13 (Required Debit Payment in \$). The cash equivalent of delivered energy is calculated by multiplying the delivered energy in MWh's by the Energy Value in \$/MWh shown in column 17 for the year just ended.

(14) Column 12 is the required debit payment, expressed in megawatt-hours, to be made to UP&L for any negative ending balance of the year just ended (column 11).

(15) Column 13 is the required debit payment, expressed in dollars, to be made to UP&L for any negative ending balance of the year just ended. This number is calculated by multiplying the required debit payment expressed in megawatt-hours (column 12) by

the Energy Value in \$/MWh shown in column 17 for the year just ended.

(16) Column 14 reflects diversions of water for minimum instream flow in the Provo River below the Olmsted diversion dam described in Subarticle 3(c) hereof in thousands of acre-feet. This column will be updated annually on or before November 15 based on the Provo River Commissioner's annual report to reflect actual diversions for minimum instream flow in the Provo River below the Olmsted diversion dam in excess of 25 cfs. Flows in excess of 17,000 acre-feet or for purposes other than those described in Subarticle 3(c) hereof will be accounted for in column 3 as Interference. Only an amount which does not exceed 17,000 acre-feet of water may be entered in column 14.

(17) Column 15 is the net available water for Olmsted generation after deducting column 3 and column 14 from the average year water (in thousands of acre-feet) available for generation, shown in column 1.

(18) Column 16 is the calculated generation at Olmsted in megawatt-hours based on the Net Available Water (column 15). This is done by multiplying the thousands of acre-feet shown in column 15 by 270.483410.

(19) Column 18 is the calculated value of generation expressed in thousands of dollars. The calculation is made by multiplying the number in column 16 (Generated MWh) by the number in column 17 (Energy Value in \$/MWh).

(20) Column 19 shows the year by year projected operating cost of the Olmsted Power Plant in thousands of dollars.

(21) Column 20 is the calculated net value of UP&L generation at year end, which is the sum of generated value (column 18 plus the required debit payment (column 13) and operating cost (column 19, a negative number).

(22) Column 21 is the cashout value of the operating agreement for each year of the agreement.