

Resolution No. 89-100181

A RESOLUTION AUTHORIZING SETTLEMENT
OF LEGAL ACTION AGAINST
THE WESTERN AREA POWER ADMINISTRATION, AMONG OTHERS

WHEREAS, on or about October 30, 1986, Utah Power & Light Company ("UP&L") and 156 cities, counties, and towns in Utah and Wyoming filed an action (the "Lawsuit") in federal district court against the Western Area Power Administration ("WAPA"), among others, challenging the lawfulness of WAPA's allocation of inexpensive federal hydroelectric power exclusively to municipalities which own their own distribution system pursuant to "preference" laws and otherwise claiming that WAPA's federal power purchasing and marketing activities are beyond WAPA's legal authority and are contrary to federal environmental laws; and

WHEREAS, on April 14, 1988, Judge Greene entered judgment in favor of WAPA, ruling that WAPA's power allocations under "preference" laws and other power purchasing and

marketing activities are lawful, but that the environmental claims should be resolved at trial; and

WHEREAS, UP&L, WAPA and the Colorado River Energy Distributor's Association, an intervenor in the Lawsuit ("CREDA"), have reached a tentative settlement agreement ("Settlement Agreement"), a copy of which is attached as Appendix "A"; and

WHEREAS, the City is a party to the settlement by virtue of its participation as a plaintiff in the Lawsuit or by having authorized UP&L, among other things, to act on its behalf in connection with an application for Colorado River Storage Project power; and

WHEREAS, the City Council has reviewed the Settlement Agreement and authorized its approval in substantially the form attached as Appendix "B", and as contemplated by the Settlement Agreement, authorizes Utah Power & Light Company to execute the Settlement Agreement on behalf of the City; and

WHEREAS, the City Council understands that the settlement constitutes a compromise of claims in the Lawsuit which may result in a financial benefit to the residential and irrigation electrical residents of the City; and

WHEREAS, the City Council understands that under certain conditions the financial benefits under the Settlement Agreement may be reduced or terminated; and

WHEREAS, the City Council understands that the Settlement Agreement imposes certain restrictions upon the City, including, but not limited to a prohibition against raising the same or similar issues in the Lawsuit in any other legal action in the future, and from characterizing any financial benefits from the Settlement Agreement as a benefit under "preference" law or as an allocation of power from the Colorado River Storage Project; and

WHEREAS, the City Council deems the Settlement Agreement to be in the best interest of its citizens;

NOW, THEREFORE, Be It Resolved by the City Council of Delta, Millard County, Utah (the "City"), as follows:

Section 1. The City Council hereby authorizes and directs the Mayor and City Recorder to execute the Approval attached as Appendix B (which may be attached to the Settlement Agreement), and, as contemplated by the Settlement Agreement, authorizes an officer of Utah Power & Light Company to execute the Settlement Agreement on behalf of the City, to terminate the Settlement Agreement, if Utah Power & Light Company deems it appropriate pursuant to paragraph ⁴⁰⁷ of the Settlement Agreement, and to make minor, non-substantive changes (or substantive changes if beneficial to the City and the Mayor and City Recorder approve) to the Settlement Agreement.

Section 2. The Mayor and City Recorder and such other officers, agents and employees of the City are hereby authorized and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Settlement Agreement.

Section 3. Immediately after its adoption, this resolution shall be signed by the Mayor and City Recorder, shall be recorded in a book kept for that purpose and shall take immediate effect.

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APPENDIX "A"

SETTLEMENT AGREEMENT

This Settlement Agreement is entered into this _____ day of _____, 1989, by Utah Power & Light Company, a division of PacifiCorp, an Oregon corporation, hereinafter referred to as "UP&L"; all of the cities and counties listed on the signature page hereof, hereinafter referred to as the "Municipalities"; the Western Area Power Administration, the United States of America, hereinafter referred to as "Western"; and the Colorado River Energy Distributors Association, hereinafter referred to as "CREDA".

In consideration of the mutual agreements, acknowledgements, covenants, and representations contained herein, the parties agree as follows:

1. For purposes of this Settlement Agreement the following terms are defined:

(i) "Appeal" means the proceeding entitled Salt Lake City, et al. v. Western Area Power Administration, et al., No. 88-1976 docketed on or about June 27, 1988, with the United States Court of Appeals for the Tenth Circuit.

(ii) "CRSP" means Colorado River Storage Project.

(iii) "EIS" means an Environmental Impact Statement prepared pursuant to Section 102(C) of the National Environmental Policy Act of 1969, 42 U.S.C. §§ 4321 et seq.

(iv) "Environmental Studies" means collectively the current Glen Canyon Environmental Studies ("GCES") and the current Recovery Implementation Program for Endangered Fish Species in the Upper Colorado River Basin ("RIP").

(v) "Final Criteria" means Final Post-1989 General Power Marketing and Allocation Criteria for the Salt Lake City Area-Integrated Projects (published at 51 Fed. Reg. 4,844 (February 7, 1986));

(vi) "Firm Contracts" means the firm electric service contracts previously negotiated among Western and its customers pursuant to the Final Criteria, and previously executed by Western's customers;

(vii) "Interior" means the United States Department of Interior.

(viii) "SLC Lawsuit" means the proceeding entitled Salt Lake City, et al., v. Western Area Power Administration, et al., Civ. No. C-86-1000G, D. Utah, filed on October 31, 1986, or any appeal from any order entered in said proceeding other than the Appeal defined in Paragraph 1(i).

(ix) "NEPA" means the National Environmental Policy Act of 1969, 42 U.S.C. §§ 4321 et seq.

(x) "NWF Lawsuit" means the proceeding entitled National Wildlife Federation, et al. v. Western Area Power Administration et al., Civil No. 88-C-1175J, D. Utah, filed on December 20, 1988, or any appeal from any order entered in said proceeding.

2. This Settlement Agreement is conditional upon execution by Western and delivery to CREDA members of Firm Contracts. This Settlement Agreement is also conditional upon the absence on October 1, 1989 of any court order in the Appeal, the SLC Lawsuit, or the NWF Lawsuit which prevents the Firm Contracts from taking effect on October 1, 1989 as set forth in the Firm Contracts. The parties agree to seek an order of the District Court allowing Western to execute the Firm Contracts. Such order may authorize Western to execute the Firm Contracts with the understanding that Western may modify the amount of the allocations under said Firm Contracts based on (i) any final decisions made by Western in light of any final EIS that may be ordered by the Court or done by Western in connection with the NWF Lawsuit, or (ii) any final administrative decision requiring changes in CRSP operations by the Secretary of the Interior resulting from a final EIS arising out of the Environmental Studies. If such order

conditions the Firm Contracts or Western's authority to execute the same in any other way, or, if on October 1, 1989, any court order in the Appeal, the SLC Lawsuit or the NWF Lawsuit prevents the Firm Contracts from going into effect in accordance with their terms on October 1, 1989 as set forth in those Firm Contracts, any party shall have the option to terminate this Settlement Agreement, in which case the contracts contained in Exhibits "D", "E" and "F" shall be null and void.

3. UP&L and the Municipalities agree to apply to the District Court for dismissal with prejudice of the SLC Lawsuit. Such dismissal shall be accomplished in two stages. UP&L and the Municipalities shall apply to the District Court for dismissal of all environmental claims with prejudice within five (5) business days after the Firm Contracts have been executed and delivered or this Settlement Agreement has been fully executed, whichever comes later, in accordance with the Stipulation and Proposed Order attached hereto as Exhibit "A". The only remaining claims in the SLC Lawsuit, which comprise the Rocky Mountain Generation Co-operative claims held in abeyance pending the Appeal, shall be dismissed with prejudice as provided in Paragraph 4.

4. UP&L and the Municipalities agree to apply to the Tenth Circuit for the dismissal with prejudice of the Appeal in accordance with the Stipulation and proposed Order attached

hereto as Exhibit "B" and to the District Court for the dismissal of all remaining claims in the SLC Lawsuit in accordance with the Stipulation and proposed Order attached hereto as Exhibit "C" on or before October 5, 1989, if this Settlement Agreement is valid and binding on October 1, 1989, pursuant to paragraph 2. In the event the Appeal is scheduled for oral argument before October 1, 1989, and the Tenth Circuit denies the parties' application for an extension of time until after October 1, 1989, then UP&L and the Municipalities, at their option, may either terminate the Settlement Agreement and proceed with the Appeal and the Rocky Mountain Generation Co-operative claims of the SLC Lawsuit (if UP&L and the Municipalities prevail on the Appeal), or apply to the Tenth Circuit for the dismissal of the Appeal and to the District Court for the dismissal of the remaining claims of the SLC Lawsuit. Such dismissals shall be dismissals with prejudice of all of the claims and issues involved in the Appeal, and any claims which could have arisen in the Appeal in connection with the SLC Lawsuit or otherwise, and all claims in the SLC Lawsuit, leaving the Summary Judgment as a final, enforceable judgment as to all parties and all matters affected thereby, subject to the terms of this Settlement Agreement.

5. This Settlement Agreement is conditional upon execution by the District Court and the Tenth Circuit of the

Orders dismissing the SLC Lawsuit and the Appeal with prejudice as contemplated in Paragraphs 3 and 4.

6. The parties hereto acknowledge that it is within the discretion of the Secretary of the Interior to establish operating criteria for CRSP dams and reservoirs, within the constraints of and discretion afforded by applicable laws, including the "Law of the River."

7. The parties acknowledge that the CRSP is a multiple purpose water resource project and that many entities claim competing interests in the CRSP. In performing its responsibilities, Western must attempt to reach an appropriate accommodation of various competing interests, including but not limited to environmental interests, within the constraints of and discretion afforded by applicable laws.

8. The parties hereto acknowledge the worth and need to develop better understanding and communications among themselves, other federal agencies, public and investor-owned utilities, the environmental community, their regular customers and the public at large, and agree to exercise their best efforts to facilitate an open and productive exchange of information and dialogue with respect to their interrelated operations and common concerns.

9. The parties recognize that GCES and the RIP are on-going studies and programs involving federal, state, and

private party participants, which attempt to address the downstream environmental effects of CRSP operations.

10. Western agrees to cooperate and increase its involvement in the ongoing GCES and RIP by offering, among other things, to provide additional technical and staff assistance to the various study groups, including providing requested data and reports, making available technical, computer, and operational expertise, and otherwise making Western's resources available to facilitate the prompt, thorough, and accurate completion of the studies.

11. Western agrees that should the Environmental Studies lead to a decision by the Secretary of Interior to prepare an EIS with respect to CRSP operations, Western will participate in the EIS as a cooperating agency.

12. Upon completion of any necessary NEPA process, Western agrees to comply promptly with any final administrative decision for change in CRSP dam operations as a result of the Environmental Studies, unless precluded from doing so by order of a court of competent jurisdiction.

13. In light of existing and anticipated reserve margins and flexibility, Western does not at this time anticipate that increased power purchases will be necessary to perform its obligations under the Firm Contracts.

14. This Settlement Agreement shall be conditional upon the execution by UP&L and Western of the Contract between

UP&L and Western for Annual Purchases of Energy, a copy of which is attached hereto as Exhibit "D."

15. This Settlement Agreement shall be conditional upon the execution by Salt River and Western of an agreement entitled "Contract between Salt River Project Agricultural Improvement and Power District and United States Department of Energy Western Area Power Administration Salt Lake City Area Integrated Projects for Interchange of Energy" (the "SRP/Western Interchange Agreement"), a copy of which is attached hereto as Exhibit "E".

16. The parties recognize and acknowledge that part of the consideration for this Settlement Agreement is a separate contract entitled "Capacity and Energy Exchange Agreement between Utah Power & Light Company and Salt River Project Agricultural Improvement and Power District" (the "UP&L/SRP Exchange Agreement"), a copy of which is attached as Exhibit "F". This Settlement Agreement is conditional upon the execution by UP&L and Salt River of said agreement. As provided in the UP&L/SRP Exchange Agreement, SRP shall have the option, exercisable in its sole and unfettered discretion, to terminate the UP&L/SRP Exchange Agreement if (i) Western takes any action it is otherwise not authorized to take, or fails or refuses to perform any obligations it is otherwise obligated to perform under the SRP/Western Interchange Agreement; (ii)

Western precludes SRP from exercising any rights SRP would otherwise have under the SRP/Western Interchange Agreement; (iii) Western changes or alters in any way any terms, covenants or conditions of the SRP/Western Interchange Agreement in a way that affects the amounts or times or rates of delivery of energy interchange; or (iv) Western refuses to accept an SRP schedule for, or delivery or receipt of, energy interchanges pursuant to the terms, covenants, or conditions of the SRP/Western Interchange Agreement, unless the grounds for termination do not result from, arise out of or relate to the NWF Lawsuit, the SLC Lawsuit, the Appeal, any resolution of either such lawsuit, any EIS prepared in connection with or as a result of either such lawsuit, or any final administrative decision requiring changes in CRSP operations by the Secretary of the Interior resulting from a final EIS arising out of the Environmental Studies. If the UP&L/SRP Exchange Agreement is terminated by SRP as provided herein, the entire Settlement Agreement and the ancillary agreements attached hereto as Exhibits "D", "E" and "F" also terminate.

17. The parties recognize that under the NEPA claims of the NWF Lawsuit, Western could be ordered to prepare an EIS, or may decide on its own, after careful consideration, to prepare an EIS. The parties further recognize that under other claims of the NWF Lawsuit, Western could be involuntarily

ordered to modify its operations. The parties also recognize that there may be a final administrative decision requiring changes in CRSP operations by the Secretary of the Interior resulting from a final EIS arising out of the Environmental Studies. As a result of the foregoing, Western may modify its operations in a way that could impact the SRP/Western Interchange Agreement. Western agrees that it will not take any action as a result of the NWF Lawsuit, the SLC Lawsuit, the Appeal, or in connection with the Environmental Studies that could impact the SRP/Western Interchange Agreement or the allocations in the Firm Contracts except under an involuntary order of the court or as a result of an EIS prepared as a result of the foregoing, and only upon a reasonable and good faith determination that it has no reasonable option. No agreement of WAPA in this paragraph (or elsewhere in this Agreement) is intended to limit, nor shall any such agreement limit, WAPA's obligation to fully comply with the requirements of NEPA. Western will meet with Salt River and UP&L to discuss and explain the action that could affect the SRP/Western Interchange Agreement before formally notifying Salt River thereof.

18. If Western reduces the amount of either CRSP capacity or CRSP energy which it is otherwise obligated to deliver to its customers under the terms of the Firm Contracts

pursuant to an adjustment clause contained in a court order as provided in paragraph 2, or otherwise as a result of the NWF Lawsuit, the SLC Lawsuit, any resolution of either such lawsuit, any EIS prepared in connection with or as a result of either such lawsuit, or any final administrative decision requiring changes in CRSP operations by the Secretary of the Interior resulting from a final EIS arising out of the Environmental Studies, SRP's obligation to provide peaking capacity and associated energy to UP&L pursuant to the UP&L/SRP Exchange Agreement shall be reduced in amounts equal to any reduction to SRP, on a KW per KW basis for every KW of capacity by which SRP's allocation is reduced, and on a KWH per KWH basis for every KWH of total energy by which SRP's allocation is reduced.

19. This Settlement Agreement is being entered into by the parties in order to avoid further costs, risks and expenses of litigation. Any benefits to UP&L and the Municipalities that may result from this Settlement Agreement or any of the transactions relating hereto will not in any manner be considered, construed or interpreted as benefits relating to or arising from any federal laws or policies. Each party specifically agrees that: (i) no arguments, concepts or precedents relating in any way to federal preference laws, policies or practices are created or intended to be created

by this Settlement Agreement or the transactions relating hereto; (ii) no federal law, policy or principle of any kind is intended to have any application, relevancy or bearing of any kind on any benefits flowing to UP&L and the Municipalities from this Settlement Agreement, the method by which UP&L and the Municipalities use or share said benefits, or the agreements referenced herein, including Exhibits "D", "E" and "F" hereto; and (iii) it will not in any context or forum take the position or argue that federal preference laws, policies or practices or any other similar federal laws or policies dictate, justify, or have any relevance to the method UP&L and the Municipalities may use to share the benefits of this Settlement Agreement.

20. If for any reason this Settlement Agreement does not receive final approval from all parties and entities that must approve it, or otherwise does not become fully enforceable and final, this Settlement Agreement and the negotiations, memoranda, notes or drafts resulting in this Settlement Agreement and any other documents prepared in connection with this Settlement Agreement shall not be used by the parties or any entity bound hereby as evidence for any claim or claims or for any other reason.

21. The parties hereto agree to support in any proceeding the legality and enforceability of this Settlement

Agreement and the ancillary agreements attached hereto as Exhibits D, E and F. In addition, UP&L will fully support the propriety and reasonableness of the settlement reflected herein of the environmental issues in the SLC Lawsuit. Upon reasonable request by Western, UP&L shall evidence such support by joining in or filing legal briefs and in court appearances and arguments in the NWF Lawsuit, in a fashion deemed appropriate by UP&L's counsel.

22. This Settlement Agreement is a compromise of disputed claims and neither this Settlement Agreement nor any documents or consideration referenced herein or relating hereto shall be construed as an admission of any violation of law or liability of any kind by any party, and each party expressly denies that it has violated any law or has any liability in connection with the matters raised in the SLC Lawsuit or Appeal or compromised in this Settlement Agreement. Except as specifically agreed hereunder, this Settlement Agreement shall not constitute a waiver of any rights of any party.

23. UP&L and the Municipalities agree that they will not, and they will not take any affirmative action to authorize any of their officers, agents, employees, officials or attorneys (specifically including current or future members of the law firm of Jones, Waldo, Holbrook & McDonough), to institute, cause to be instituted, or assist or

participate in any way in pursuing any legal actions, claims or lawsuits against Western or the Department of Energy relating to issues involved in the SLC Lawsuit or Appeal, including:

(i) the legality, constitutionality or enforceability of federal preference laws, as written or as interpreted and applied by Western; (ii) the legality or propriety of Western's marketing programs and practices challenged in the SLC Lawsuit, including the utility responsibility requirement for eligibility to preference power, purchases of non-federal power, hydro-thermal integration activities, oil conservation, fuel replacement and similar programs, and conservation and renewable energy programs; or (iii) Western's compliance with NEPA or any other environmental laws in connection with Western's Final Criteria, the Firm Contracts, or any of Western's marketing programs and practices, including those listed above.

24. All parties hereto expressly acknowledge and agree that neither this Settlement Agreement nor any documents, agreements, understandings or actions of any of the parties relating to or in connection with this Settlement Agreement will in any way change, impair, affect or diminish in any way the finality, enforceability, or legal, preclusive and binding effect of the Summary Judgment or the dismissal with prejudice of the SLC Lawsuit and Appeal as to the parties and their

successors in interest. Each party agrees that it will not in any judicial, legislative or public forum of any kind, take a position or assert or represent anything to the contrary with respect to the binding effect of the Summary Judgment.

25. This Settlement Agreement may be pleaded by any party as a full and complete defense to, and may be used as the basis for an injunction against, any conduct or any proceeding, suit, or action which may be instituted, prosecuted, or attempted, in breach of any of the terms of this Settlement Agreement.

26. The parties intend to issue a joint press release announcing the general provisions of this Settlement Agreement in a form satisfactory to and approved by designated representatives of each of the parties hereto.

27. This Settlement Agreement shall inure to the benefit of and be binding upon each of the parties hereto and their respective members, predecessors, successors, assignees, transferees, and any subsidiaries, and each of them, as though they were parties hereto.

28. Each of the parties to this Settlement Agreement hereby affirms and acknowledges that it has read this Settlement Agreement, has had it explained by its counsel, and fully understands it, and that this is a full and final compromise and settlement of all claims, demands, actions, or causes of action raised in the SLC Lawsuit and Appeal.

29. This Settlement Agreement is without prejudice to the rights of the parties in any other litigation that may be outstanding or to any claims other than the claims compromised and settled in this Settlement Agreement.

30. Each of the signatories hereto represents and warrants that he/she has full power and authority on behalf of each of the parties indicated to execute this Settlement Agreement and to bind each such party to all of the terms and provisions hereof. Prior to the execution of this Settlement Agreement, CREDA and UP&L will provide each other with copies of the corporate resolutions from their respective Boards of Directors authorizing their representatives to execute this Settlement Agreement and the agreements associated herewith.

31. Each party shall bear its own costs of the lawsuits mentioned herein and of this settlement.

IN WITNESS WHEREOF, the parties hereto have caused this Settlement Agreement to be duly executed the day and year first written above.

"Western":

By: _____
William H. Clagett, Administrator
For: Western Area Power Administration.

"UP&L":

By:

Frank N. Davis, President

For: Utah Power & Light Company, a division
of PacifiCorp

"Municipalities":

By:

Ruth Hansen, ^{Mayor} for Delta City

For: The following Utah cities and towns:
Alta, Amalga, American Fork, Annabella,
Aurora, Bear River, Brian Head, Castle
Dale, Cedar City, Cedar Fort,
Centerfield, Centerville, Circleville,
Clarkston, Clawson, Clearfield,
Cleveland, Clinton, Coalville, Corinne,
Cornish, Delta, Deweyville, Draper,
Elmo, Elsinore, Elwood, Emery, Enoch,
Eureka, Farmington, Farr West, Fayette,
Ferron, Fielding, Fountain Green,
Francis, Fruit Heights, Garden City,
Garland, Genola, Glenwood, Goshen,
Grantsville, Green River, Gunnison,
Harrisville, Henefer, Highland,
Hinckley, Honeyville, Howell,
Huntington, Huntsville, Hyde Park,
Joseph, Junction, Kamas, Kanarraville,
Kingston, Laketown, Layton, Leamington,
Lewiston, Lynndyl, Mantua, Mapleton,
Marysvale, Mayfield, Mendon, Midvale,
Milford, Millville, Minersville, Moab,
Mona, Moroni, Naples, New Harmony,
Newton, Nibley, North Logan, North
Ogden, North Salt Lake, Oakley, Ogden,
Ophir, Orangeville, Orem, Panguitch,
Paradise, Park City, Perry, Plain City,
Pleasant Grove, Plymouth, Portage,
Providence, Redmond, Richfield,
Richmond, River Heights, Riverton, Roy,
Rush Valley, Salina, Sandy, Santaquin,
Scipio, Sigurd, Smithfield, Snowville,
South Jordan, South Ogden, South Salt
Lake, South Weber, Sterling, Stockton,

Sunnyside, Sunset, Syracuse, Tooele, Toquerville, Tremonton, Trenton, Uintah, Vernal, Virgin, Wales, Wallsburg, Washington Terrace, Wellington, Wellsville, West Jordan, West Point, West Valley City, Willard, Woods Cross; the following Utah counties: Beaver County, Box Elder County, Davis County, Emery County, Grand County, Millard County, Morgan County, Rich County, Salt Lake County, San Juan County, Sevier County, Summit County, Tooele County; the following Wyoming cities and towns: Big Piney, Cokeville, Diamondville, Evanston, Kemmerer, Labarge, Marbleton, Opal, Pinedale; the following Wyoming counties: Lincoln County, Sublette County

By: _____
For: Salt Lake City

By: _____
For: Weber County

By: _____
For: Riverdale

"CREDA":

By: _____
Joe Falbo, President
For: Colorado River Energy Distributors
Association, Inc.

Approved and accepted:
Jones, Waldo, Holbrook & McDonough

By: _____
Donald B. Holbrook

By: _____
William B. Bohling

By: _____
Elizabeth M. Haslam

Attorneys for Utah Power & Light
Company and Municipalities other
than Salt Lake City, Riverdale
and Weber County

Utah Power & Light Company

By: _____
Sidney G. Baucom
Attorney for Utah Power & Light Company

Salt Lake City Corporation

By: _____
Bruce R. Baird
Attorneys for Salt Lake City Corporation

Weber County and City of Riverdale

By: _____
Frank Warner
Attorney for Weber County and the City of
Riverdale

United States of America

By: _____
C. Max Vassanelli
Attorneys for Western Area
Power Administration and
Other Defendants

Kimball, Parr, Crockett & Waddoups

By: _____
Gary A. Dodge
Attorneys for Colorado River Energy
Distributors Association, Inc.

Exhibits "A" through "F" are not attached but will be made available upon request:

Exhibit "A" is a Stipulation and Proposed Order dismissing environmental claims.

Exhibit "B" is a Stipulation and proposed Order dismissing the appeal.

Exhibit "C" is a Stipulation and proposed Order dismissing the remaining claims in the Salt Lake City Lawsuit.

Exhibit "D" is a Contract between Utah Power & Light and Western Area Power Administration for Annual Purchases of Energy

Exhibit "E" is a Contract between Salt River Project Agricultural Improvement and Power District and Western Area Power Administration for Interchange of Energy.

Exhibit "F" is a Contract between Salt River Project Agricultural Improvement and Power District and Utah Power & Light for Energy Exchange.

APPENDIX "B"

APPROVAL OF THE CITY OF Utah
TO SETTLEMENT OF
SLC v. WAPA LAWSUIT

Pursuant to the duly enacted resolution, the City of Utah, Wasatch County, Utah, hereby approves the Settlement Agreement pertaining to Salt Lake City, et al. v. Western Area Power Administration, et al., Civil No. 86C-1000G (D.Utah 1986) and authorizes Utah Power & Light Company to execute the Settlement Agreement on its behalf.

Peter Hansen
Mayor

Countersign and Attest:

Christine Jorgensen
City Recorder

[AFFIX SEAL HERE]

upl 365/emh/sk

Passed and approved this 10th day of April, 1989.

Ruth Hansen
Mayor

Countersign and Attest:

Christy Jorgensen
City Recorder

[AFFIX SEAL HERE]

After the conduct of other business not pertinent to the foregoing, it was moved and carried that the City Council adjourn.

Ruth Hansen
Mayor

Attest:

Christy Jorgensen
City Recorder

[AFFIX SEAL HERE]

STATE OF UTAH)
COUNTY OF Miand)

I, the undersigned, do hereby certify that I am the
duly qualified and acting City Recorder of Alta City,
Miand County, Utah (the "City").

I further certify that the above and foregoing
constitutes a true and correct copy of the minutes of a
regular public meeting of the City Council of the
City, including a resolution adopted at said meeting, held
on April 10, 1989, as said minutes and resolution are
officially of record in my possession.

IN WITNESS WHEREOF, I have hereunto subscribed my
official signature and affixed the seal of the City, this 11th
day of April, 1989.

Shirley Jiggery
City Recorder

[AFFIX SEAL HERE]

upl 349/jwb/ms