

Rainbow PPA option

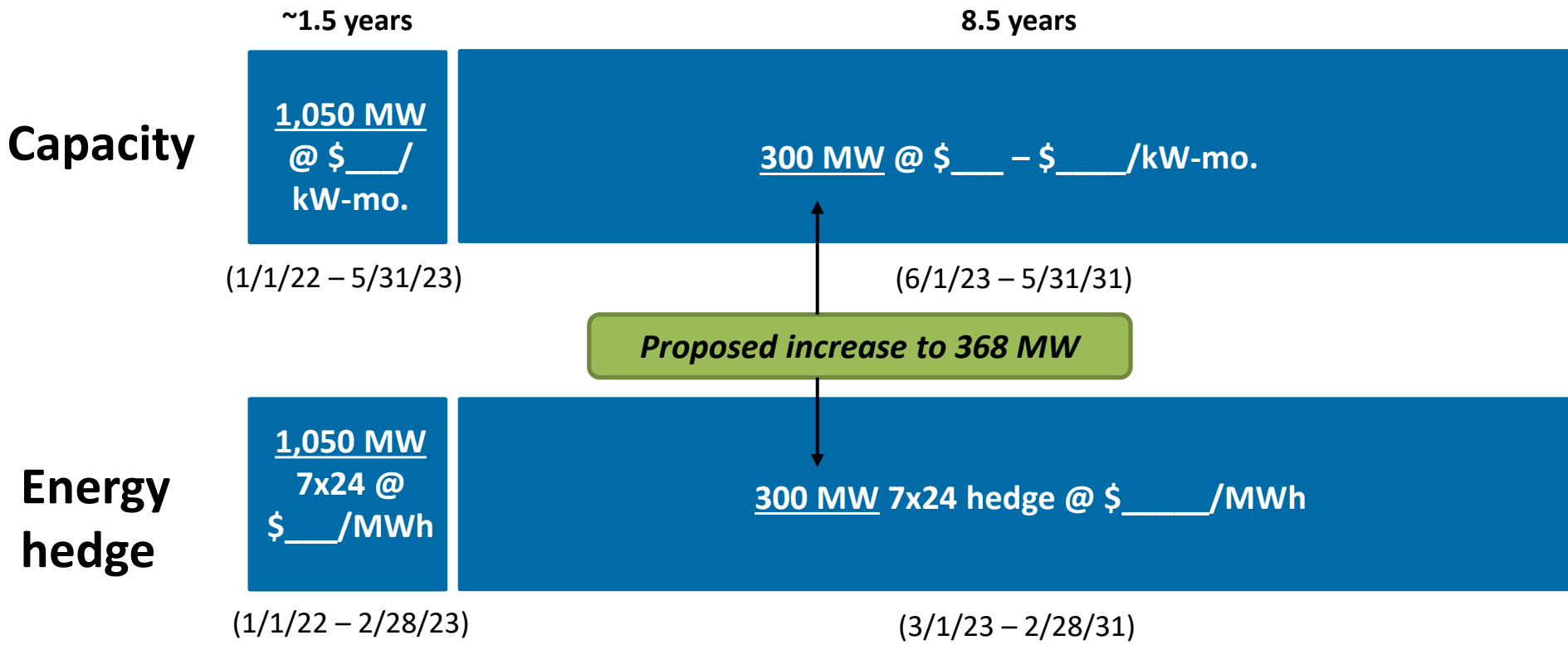


Jon Brekke

PPA transaction - overview



- General terms – 10-year PPA projected to begin Jan 1, 2022
 - Shared pool for AR members



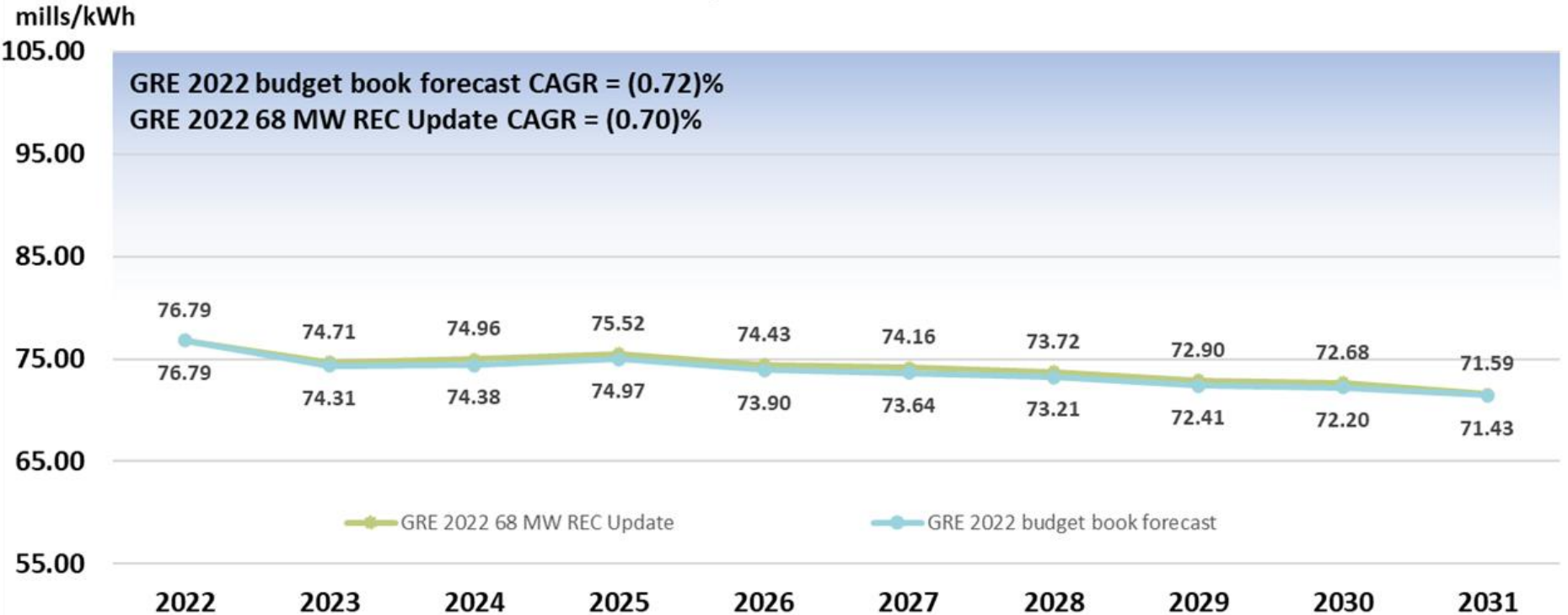
Benefits

- ▶ Competitive 24x7 fixed price energy hedge
 - Baseload hedge with no generation performance risk
 - Strong alignment/hedge to GRE. GRE load node
 - Gas prices increasing, MISO market prices higher
- ▶ Consistent capacity resource
 - Hedge to expected seasonal capacity requirement in MISO
- ▶ Preserves optionality
 - Not a new resource, increasing size of existing purchase
 - Additional energy equates to 130MW of wind generation

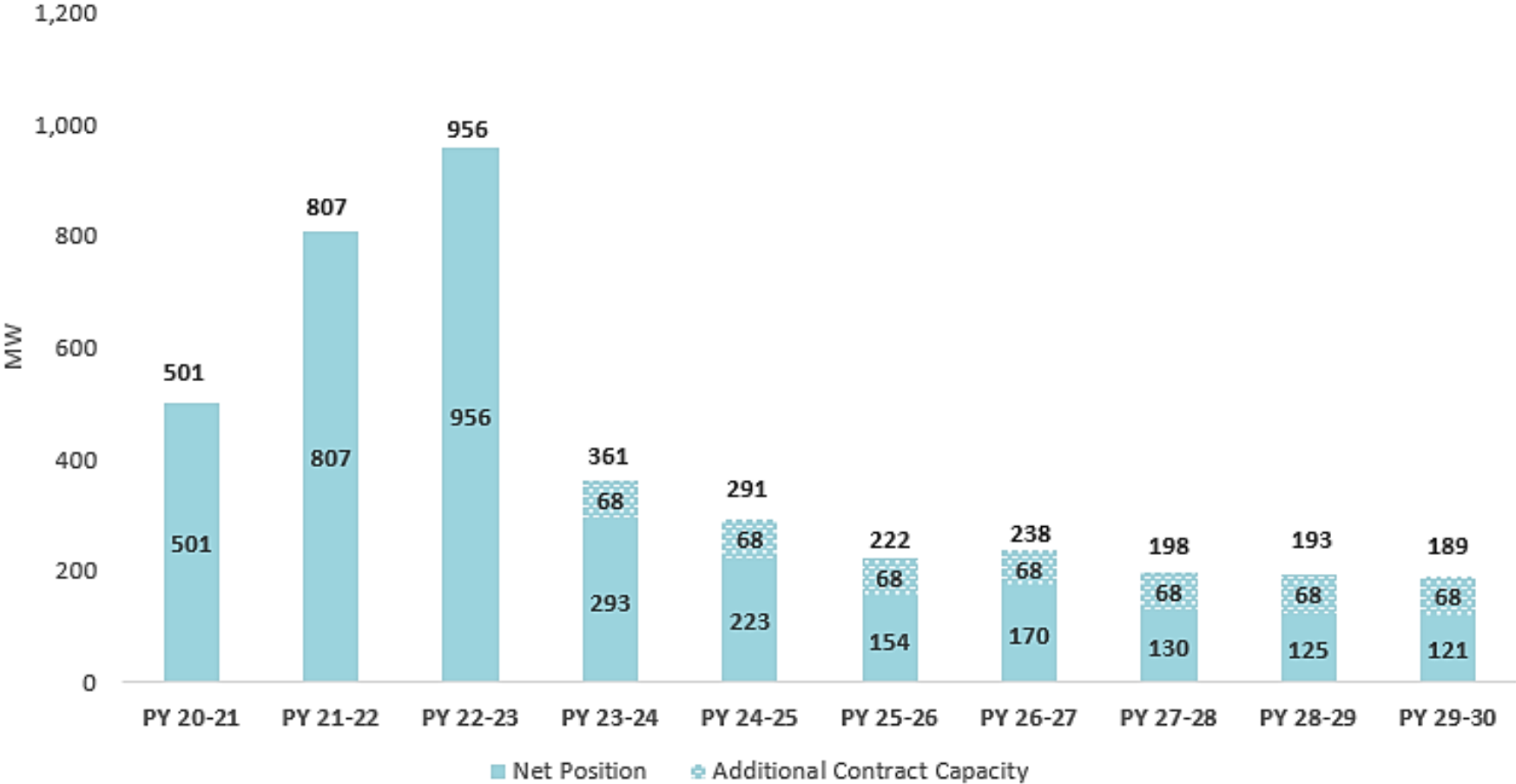
Rate forecast



GRE 10-year rate forecast

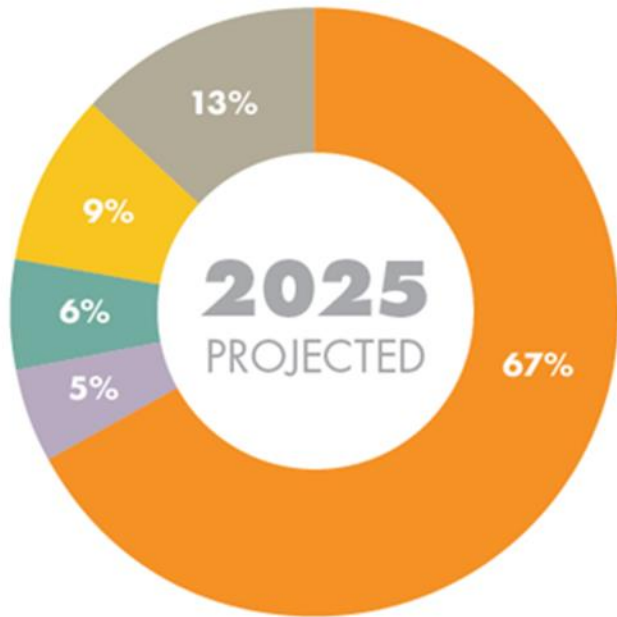


Capacity position – shared pool

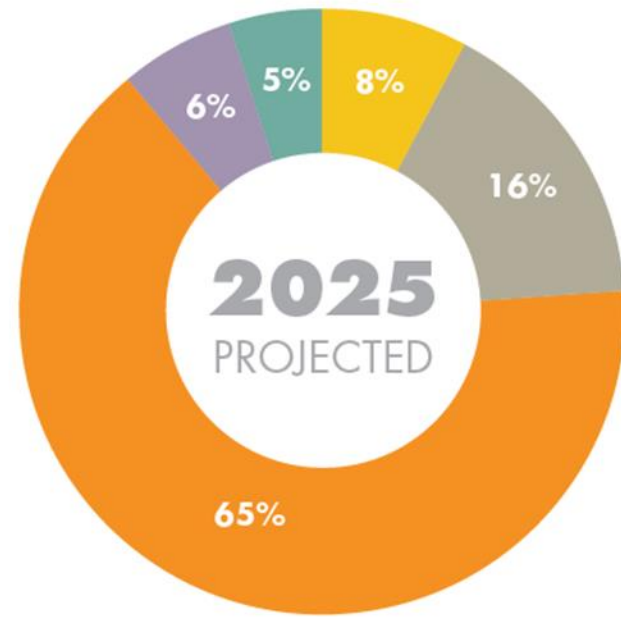


Capacity impact

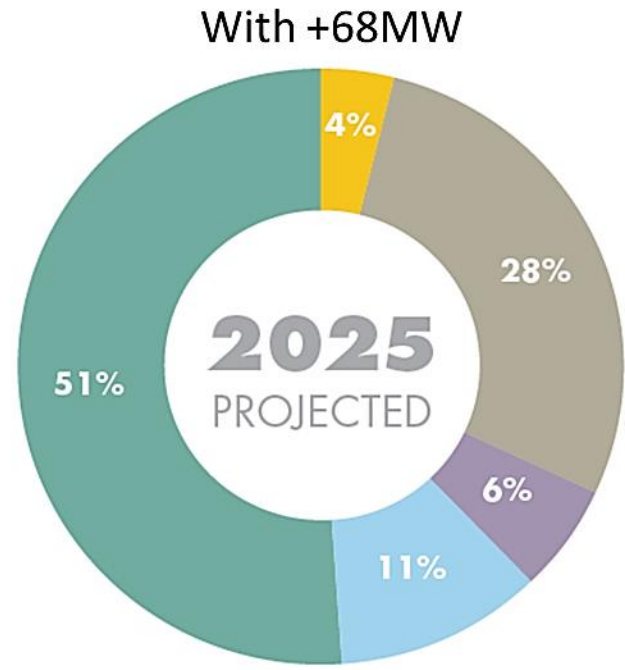
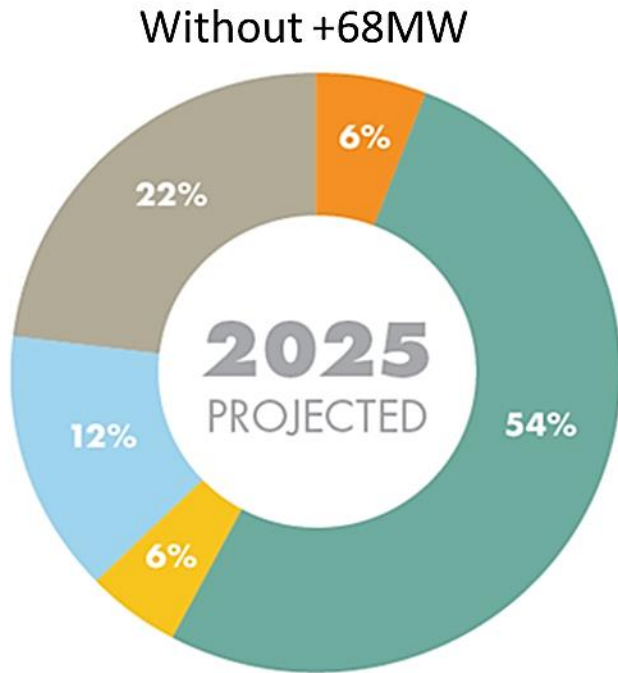
Without +68 MW



With +68 MW



Energy impact



Energy served



GRE board action - November



- ▶ Approve Resolution No. GRE R21-11-6
 - Increase capacity and energy financial settlement purchase by 68 MW for all-requirements resource pool
- ▶ Authorize GRE to seek dual percentage approval from all-requirements members