HYDROELECTRIC REVENUE

Imbalance explanation:

The imbalance energy reconciliation is a mechanism contemplated in the contract (based on Exhibit 2 of the Power Purchase Agreement between NCPA and MCWRA) that determines which party pays for imbalances between the meter and the CAISO market schedules:

If the meter is greater than the schedule, then MCWRA pays the difference at the CAISO market RTD LMP (at the resource's PNode);

If the meter is less than the CAISO market schedule, then NCPA pays the difference at the CAISO market DA LMP (at the resource's PNode).

Agency needs to be precise on its power scheduling to minimize imbalances

Exhibit 2

CONTRACT PRICE

Pursuant to Section 3.1(a) and 3.1(c) Buyer shall pay Seller for the Output based on the Contract Price set forth below for the applicable delivery period, subject to adjustment based on the imbalance energy settlement adjustment equations set forth below to account for the differences between Scheduled forecasted Output and metered Output during each applicable ISO settlement interval.

CONTRACT YEAR	PRICE ($/MWh)
2014	$ 75.00
2015	$ 76.13
2016	$ 77.27
2017	$ 78.43
2018	$ 79.60
2019	$ 80.80
2020	$ 82.01
2021	$ 83.24
2022	$ 84.49
2023	$ 85.75
2024	$ 87.04
2025	$ 88.35
2026	$ 89.67
2027	$ 91.02
2028	$ 92.38
2029	$ 93.77
2030	$ 95.17
2031	$ 96.60
2032	$ 98.05
2033	$ 99.52

1. Imbalance Energy Settlement Adjustment

a) If Generating Facility Output $MWh_{metered}$ is greater than Scheduled $MWh_{physical\ trade}$ then Seller shall pay to Buyer the following imbalance energy settlement adjustment for each applicable ISO settlement interval:

a. $\max(\$0, RTLMP_{node}) * \max(0, MWh_{metered} - MWh_{physical\ trade})$

i. Where:

1. $RTLMP_{node}$ is the real-time locational marginal price at the Delivery Point for the applicable ISO settlement interval;
2. $MWh_{metered}$ is the actual metered Output from the Generating Facility for the applicable ISO settlement interval; and
3. $MWh_{physical\ trade}$ is the Scheduled forecasted Output of the Generating Facility for the applicable ISO settlement interval provided from Seller's Scheduling Coordinator to Buyer's Scheduling Coordinator through the use of an Inter-SC Trade submitted in the day-ahead market time frame.

b) If Generating Facility Output $MWh_{metered}$ is less than Scheduled $MWh_{physical\ trade}$ then Buyer shall pay to Seller the following imbalance energy settlement adjustment for each applicable ISO settlement interval:

a. $DALMP_{node/APN} * \max(0, MWh_{physical\ trade} - MWh_{metered})$

i. Where:

1. $DALMP_{node/APN}$ is the day-ahead locational marginal price calculated by the ISO at the Delivery Point, the aggregated pricing node (e.g., NP15 EZ Gen Hub), or a combination of such price, based on the quantity and location of the $MWh_{physical\ trade}$ for the applicable ISO settlement interval;
2. $MWh_{metered}$ is the actual metered Output from the Generating Facility for the applicable ISO settlement interval; and
3. $MWh_{phsical\ trade}$ is the Scheduled forecasted Output of the Generating Facility for the applicable ISO settlement interval provided from Seller's Scheduling Coordinator to Buyer's Scheduling Coordinator through the use of an Inter-SC Trade submitted in the day-ahead market time frame.

HYDROELECTRIC REVENUE

JULY 2023 - JUNE 2024 (FY 2023-2024)

Month	Energy Amount ($85.75/MWh)	Energy Generated MWh	Billed Date	CR#	Received Date	Imbalance Energy Reconciliation	RECs Generated	Total Revenue
July, 2023	$156,072.56	1,829.090	11/6/2023	188699	12/1/2023	($2,783.18)	1,829	**$153,289.38**
August, 2023	$238,137.70	2,777.120	12/5/2023	189822	1/2/2024	$48.33	2,777	**$238,186.03**
September, 2023	$222,285.65	2,592.250	1/4/2024	191232	2/5/2024	($2,720.18)	2,592	**$219,565.47**
October, 2023	$168,837.52	1,968.950	2/9/2024	192678	3/7/2024	($8,333.93)	1,969	**$160,503.59**
November, 2023	$12,815.21	149.450	3/6/2024	193768	4/3/2024	($1,037.26)	149	**$11,777.95**
December, 2023	$5.59	0.070	4/11/2024	195414	5/7/2024	$514.54	0	**$520.13**
January, 2024	$10,359.59	119.02	5/21/2024	197144	6/18/2024	($810.57)	119	**$9,549.02**
February, 2024	$10,398.75	119.47	6/4/2024	11852	7/2/2024	($749.38)	119	**$9,649.37**
March, 2024	$163,528.10	1,878.77	7/5/2024	12219	8/2/2024	($2,012.78)	1,879	**$161,515.32**
April, 2024	$186,707.40	2,145.08	8/7/2024	12458	8/29/2024	($2,821.96)	2,145	**$183,885.44**
May, 2024	$250,568.31	2,878.77	9/4/2024	12562	10/1/2024	($1,192.64)	2,879	**$249,375.67**
June, 2024	$226,683.67	2,604.36	10/9/2024	12618	11/5/2024	($393.49)	2,604	**$226,290.18**
	$1,646,400.05	**19,062.399**				**($22,292.50)**	**19,062**	**$1,624,107.55**

* Energy rate change from $85.75 per MWh to $87.04 per MWh (1.5% increase)
REC = Renewable Energy Certificates
MWh = Mega Watt Hour of electric energy

HYDROELECTRIC REVENUE

JULY 2024 - JUNE 2025 (FY 2024-2025)

Month	Energy Amount ($85.75/MWh)	Energy Generated MWh	Billed Date	CR#	Received Date	Imbalance Energy Reconciliation	RECs Generated	Total Revenue
July, 2024	$244,706.60	2,811.430	11/8/2024	203542	12/5/2024	($2,048.49)	2,811	**$242,658.11**
August, 2024	$240,401.06	2,761.960	12/10/2024	204655	1/7/2025	($2,080.04)	2,762	**$238,321.02**
September, 2024	$201,626.02	2,316.475	1/13/2025	205891	2/6/2025	($250.79)	2,316	**$201,375.23**
October, 2024	$19,534.64	224.433	2/7/2025	207013	3/6/2025	($697.73)	224	**$18,836.91**
November, 2024	$15,113.43	173.640	3/17/2025			($11.50)	174	**$15,101.93**
December, 2024							0	**$0.00**
January, 2025							0	**$0.00**
February, 2025							0	**$0.00**
March, 2025							0	**$0.00**
April, 2025							0	**$0.00**
May, 2025							0	**$0.00**
June, 2025							0	**$0.00**
	$721,381.75	**8,287.938**				**($5,088.55)**	**8,288**	**$716,293.20**

* Energy rate change from $85.75 per MWh to $87.04 per MWh (1.5% increase)
REC = Renewable Energy Certificates
MWh = Mega Watt Hour of electric energy