



Integrated Resource Plan Update

October 2012

SECTION 1

EXECUTIVE SUMMARY

BACKGROUND

Deseret Generation and Transmission Cooperative (“Deseret”) and its Cooperative Members prepared and submitted on November 20, 1995, an Integrated Resource Plan (“IRP”) filing designed to meet the requirements, established and effective as amended, of the Western Area Power Administration (“Western”) in May 2000. Consistent with Western’s requirement, Deseret has prepared and submits herein an updated IRP (“IRP UPDATE”). Serving the future load requirements of Deseret’s Members through the most cost-effective methods is the premise upon which the IRP and the IRP UPDATE have been developed. Load forecasts and resource requirements have been reviewed for the study period extending through 2018. The IRP UPDATE addresses both demand and supply-side options, while taking into account the special characteristics of Deseret and each individual cooperative. Alternatives and action plans over both short-term and long-term planning horizons were reexamined in the IRP UPDATE and will serve as a resource for Deseret and its Members when determining future planning directions.

PUBLIC INFORMATION PROCESS

Public input was solicited during the IRP UPDATE process. Public involvement was achieved through public meetings held by each of the Member Cooperatives, individual cooperative board approval and approval by the Deseret Board of Trustees. The public process generally included a review of the IRP UPDATE process and the principal considerations and assumptions used in the development of a draft IRP UPDATE. After review and consideration of public comments, the IRP UPDATE was approved and adopted by resolution at the _____ meeting.

LOAD FORECAST

Deseret’s IRP load forecast were developed employing a detailed understanding of specific Member customer loads, econometric regression analysis, trending analysis and assumptions resulting from an understanding of local economics and demographics specific to each individual cooperative. Load forecasts were developed for each of the Member Cooperatives and were then aggregated into a single Deseret Member load forecast. Throughout the development of the forecasts, significant emphasis was placed on the individual cooperatives knowledge of their loads and demographics. A significant amount of Deseret’s total Member loads are related to a relatively small number of industrial customers in the petroleum and mining industries. Specific knowledge pertaining to these customers is critical in the development of a representative forecast of Deseret Members’ load and energy requirements.

The IRP UPDATE load forecasts represent an updating of the original load forecasts. Each Member’s load forecasts have been updated to reflect their detailed understanding

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of specific customer loads, analysis of load growth trends and assumptions resulting from an understanding of local economics and demographics specific to each individual Member.

The result of the Deseret system load forecast is shown below in graphical format.

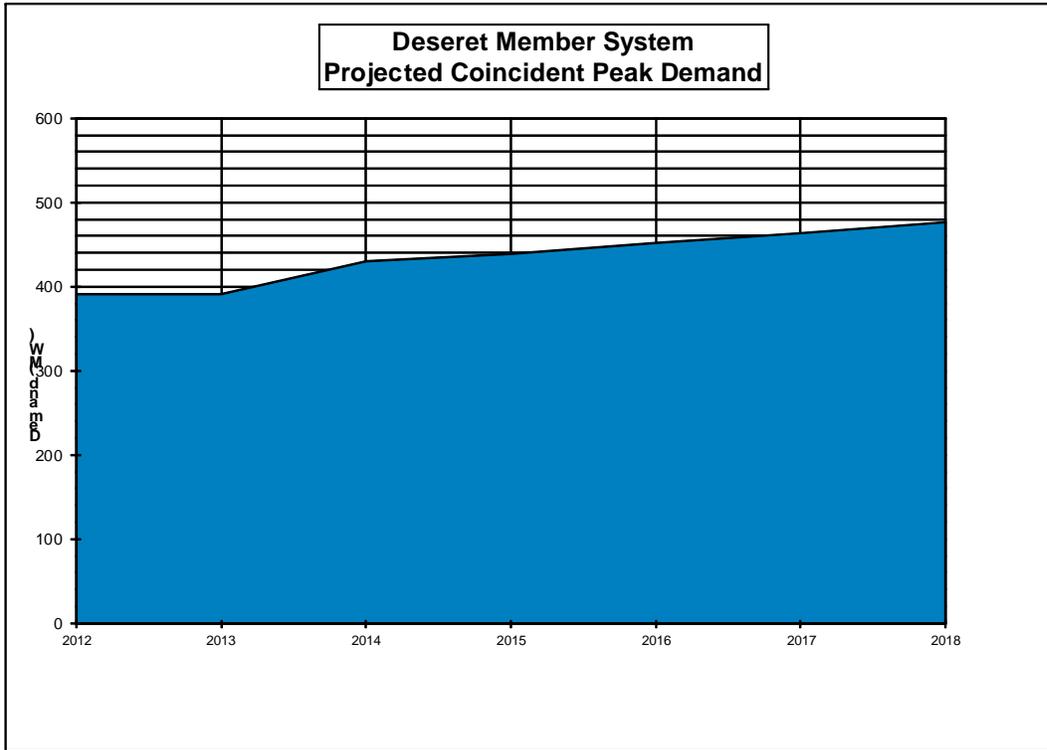


Figure 1-1

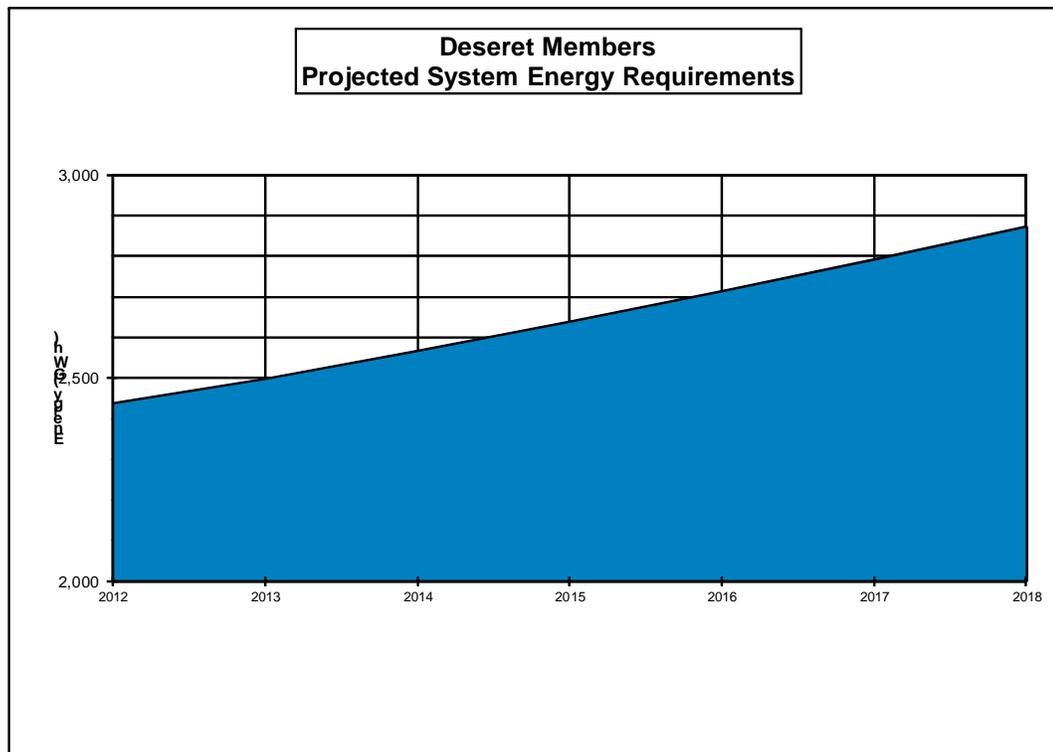


Figure 1-2

RESOURCES

Existing resources available to serve Member load continue to include ownership interests in coal-fired Bonanza 1 and Hunter II generating unit, entitlements to coal-fired Intermountain Power Project 1 & 2 generating units, the individual cooperative's federal hydro-power allocations from Western and some additional hydro-electric generation owned by some of the Members and a number of small PURPA purchases. Changes in Bonanza 1 capability and the Member's Western Hydro-power allocations that have occurred or will occur during the study period are reflected in the IRP UPDATE.

The chart below depicts the capacity resources available to serve Member load.

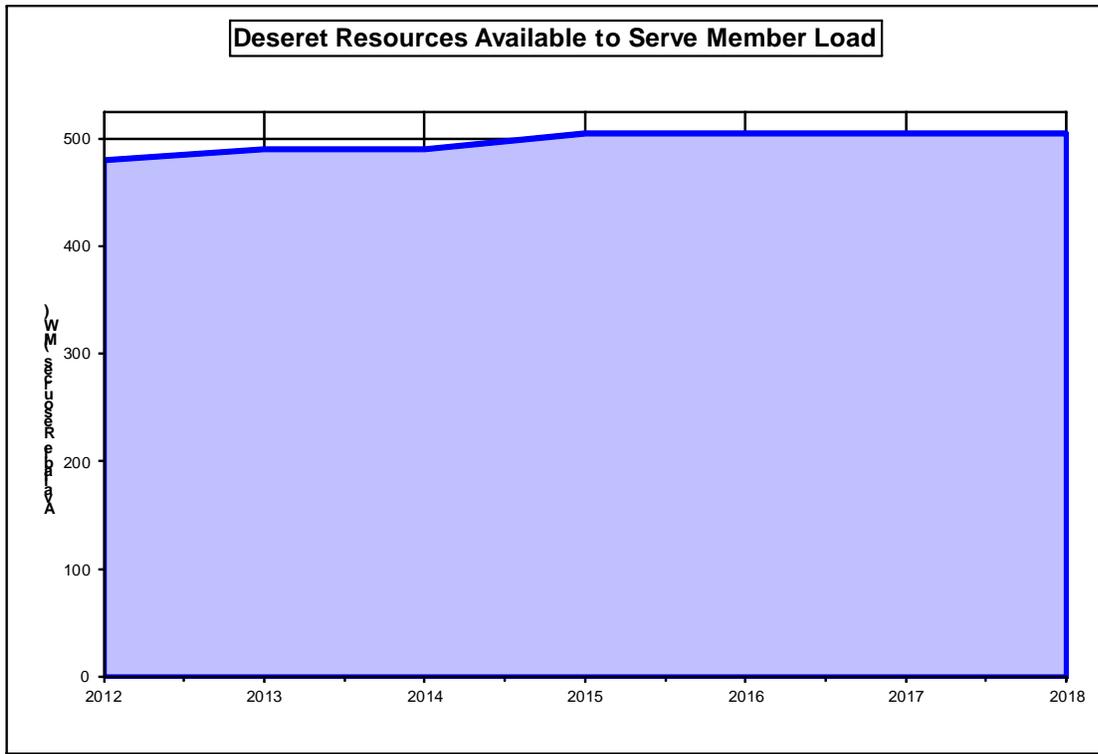


Figure 1-3

LOADS AND RESOURCES

Comparing Deseret's IRP UPDATE forecasted peak loads, loads (including reserves losses) versus resources, Deseret and its Members have resources in excess of loads available throughout the study period. The figure below illustrates the anticipated reserve or excess capacity as compared with forecasted peak demand.

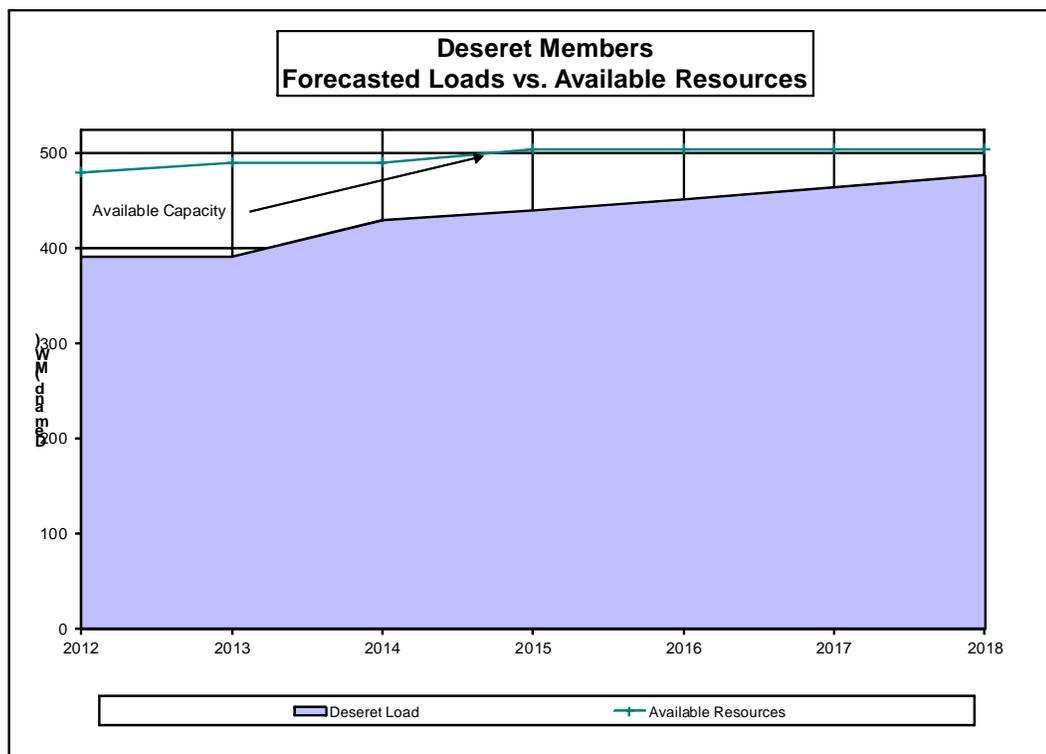


Figure 1-4

MEMBER CUSTOMER PROGRAMS

Traditionally, a key component to any IRP is DSM programs which typically act to alter the demand and energy requirements of the end-use consumer from those that would otherwise be seen by the system.

Deseret and its Members have historically provided programs and services to their member consumers which fall under the generic classification of DSM. These programs continue to be provided based on identified utility objectives and customer needs.

Deseret and the Members recognize the significance of maintaining successful customer programs as part of its resource base. Both Deseret and the Members maintain practical existing programs and consider the development of new programs in order to meet both the needs of the customers and each individual cooperative Member.

UTILITY OBJECTIVES

Deseret and the Members view the IRP process as both a resource planning tool and part of a more encompassing strategic planning process. Inherent to both resource planning and overall strategic planning is the identification of company goals and objectives. As such, the

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primary goals and objectives developed and selected by Deseret and the Members as part of the IRP process are shown below.

Broad Utility Objectives - These objectives deal with the areas of financial performance, relationships with customers, employees and regulatory agencies:

- retain load;
- retain and enhance competitive position;
- provide customer valued services;
- encourage load growth;
- mitigate financial risk associated with loss of loads due to high costs; and
- satisfy regulatory requirements;

Operational Objectives - These objectives deal with the operation of the utilities:

- increase the efficiency of thermal resources;
- maintain high system load factors; and
- satisfy regulatory requirements.

Based on these utility objectives, Deseret and the Members primary load shape objectives were identified as:

- strategic load growth; and
- valley filling.

Secondary load shape objectives have been identified as:

- load shifting; and
- peak clipping.

FUTURE RESOURCE OPTIONS

Since Deseret currently projects having excess generation throughout study period, the focus of the IRP UPDATE will be to investigate options and develop an action plan that will permit Deseret and its Members to meet their end-use customers needs as well as the organizations' financial and load shape objectives.

Deseret actively markets capacity and energy excesses, in order to better meet financial objectives and improve the overall efficiency and operation of the resources. While Desert strives to fully utilize its excess thermal resources through short and long term sales, it maintains access to sufficient portions of its excess resource to meet Member future load growth.

DEVELOPMENT OF BASECASE SUPPLY-SIDE RESOURCE PLAN

Deseret and the Members do not foresee the need for any new or additional capacity over the IRP UPDATE planning horizon. The study period is through the year 2018 or

approximately 7 years. The seven year study period was chosen primarily due to the nature of the Members loads and specific knowledge of end-use customer requirements through this period.

The results of Deserets' screening analysis illustrate that Deseret and the Members most practical least-cost supply-side option is to continue to utilize the existing resources to meet load and energy requirements. This base case supply plan is the baseline capacity expansion plan against which other alternatives are measured during the balance of the IRP UPDATE process.

DSM OPTIONS AND SCREENING

As mentioned previously, Deseret and its Members are projected to have excess capacity and energy resources throughout the study period. As such, the primary focus of resource evaluation part of this IRP UPDATE is to generally describe future resource options available to the Members which may be investigated further as needed.

The primary goals and objectives as developed and selected by Deseret and the Members are shown below.

- Broad Utility Objectives - These objectives deal with the areas of financial performance, relationships with customers, employees and regulatory agencies:
 - retain load;
 - retain and enhance competitive position;
 - provide customer valued services;
 - encourage load growth;
 - mitigate financial risk associated with loss of loads through high costs;
 - satisfy regulatory requirements.
- Operational Objectives - These objectives deal with the operation of the utilities:
 - satisfy regulatory requirements;
 - increase the efficiency of thermal resources; and
 - maintain high system load factors.

Based on these utility objectives, Deseret and the Members primary load shape objectives were identified as:

- strategic load growth; and
- valley filling.

Secondary load shape objectives have been identified as:

- load shifting; and
- peak clipping.

As mentioned in the Customer Programs section, Deseret Members have historically and continue to provide a number of programs which meet these same objectives

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The load shape objectives were identified as possible approaches to supporting both the broad utility and operational objectives. These strategies could potentially result in:

- lower Member power supply costs;
- lower end-use consumer bills; and
- increase revenue from the marketing of thermal excesses.

Additionally, although an initial screening and situational analysis was performed, it was determined after the fact that the DSM technologies identified may not represent the best choice for implementation due to customer acceptance and market penetration. Since no DSM technologies were identified as currently being significantly cost effective, no further evaluation was conducted. Future updates to the IRP will re-examine appropriate DSM technologies based on customer acceptance or desires and refined cost and market applicability.

INTEGRATION ANALYSIS RESULTS

Given the current situation of generation excesses, Deseret will consider the base plan rather than the integrated plan as the measure of comparison against which future resource decisions are judged. Deseret and the Members should closely monitor their situation and retail customer needs and should continue to provide effective customer focused programs (including DSM) and re-evaluate potential for new DSM programs in the future.

As mentioned previously, future updates to the IRP will re-examine appropriate DSM technologies based on customer acceptance or desires, and refined cost and market applicability.

RECOMMENDED IMPLEMENTATION PLAN

Having completed the IRP UPDATE process Deseret and its Members have concluded that the short-term and long-term action plans included in the IRP continue to be supportive of the goals and objectives above and as such will be retained in the IRP UPDATE.

SHORT-TERM ACTION PLAN (1-2 YEARS)

- Deseret and the Members will complete periodic IRP progress reports which include updates and progress on the items discussed or reviewed in this IRP. Results should be compared with the results shown in the base case supply plan.
- Deseret's Members should continue developing or updating customer surveys in order to identify current customer needs and concerns. Future resource decisions and action plans may be heavily influenced by these customer needs and concerns. The results of the survey should be used to develop action plans as part of future updates to the IRP.
- Deseret's Members should continue conducting retail rate studies. Rate studies will help gauge the competitiveness of the utility, put retail rates in line with costs and

objectives and help outline strategies to address future operational, financial, and competitive objectives.

- Deseret should continue to actively market generation excesses through its marketing department and its presence in the wholesale marketing community.
- Deseret and the Members should continue to closely monitor the activities and operations of the large industrial customers in order to most accurately plan for future load requirements and financial obligations.

LONG-TERM (5 YEARS AND BEYOND)

- Deseret should update the IRP periodically to include changes in:
 - Load projections
 - Power market conditions
 - Cost projections
 - DSM and Customer program results
- Deseret should also re-evaluate power supply alternatives periodically to coincide with the timing of additional resource needs, due to additional load growth or anticipated changes in existing supply resources.

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IRP PROCESS

Integrated resource planning is a comprehensive planning approach that expands traditional resource planning, which is typically limited to matching loads and supply-side resources, to include consideration of the overall affect a resource has on the total power system, including the environment, reliability, dispatchability, diversity, and associated risks. The IRP process typically includes the determination of the requirements of the power supply system (the projection of loads), identification of resource alternatives, screening or ranking of these alternatives, the development and evaluation of resource plans, and the selection of a preferred resource plan or an action or implementation plan.

IRP PROCESS

The typical IRP process includes several steps which are defined in Figure 2-1 on the following page.

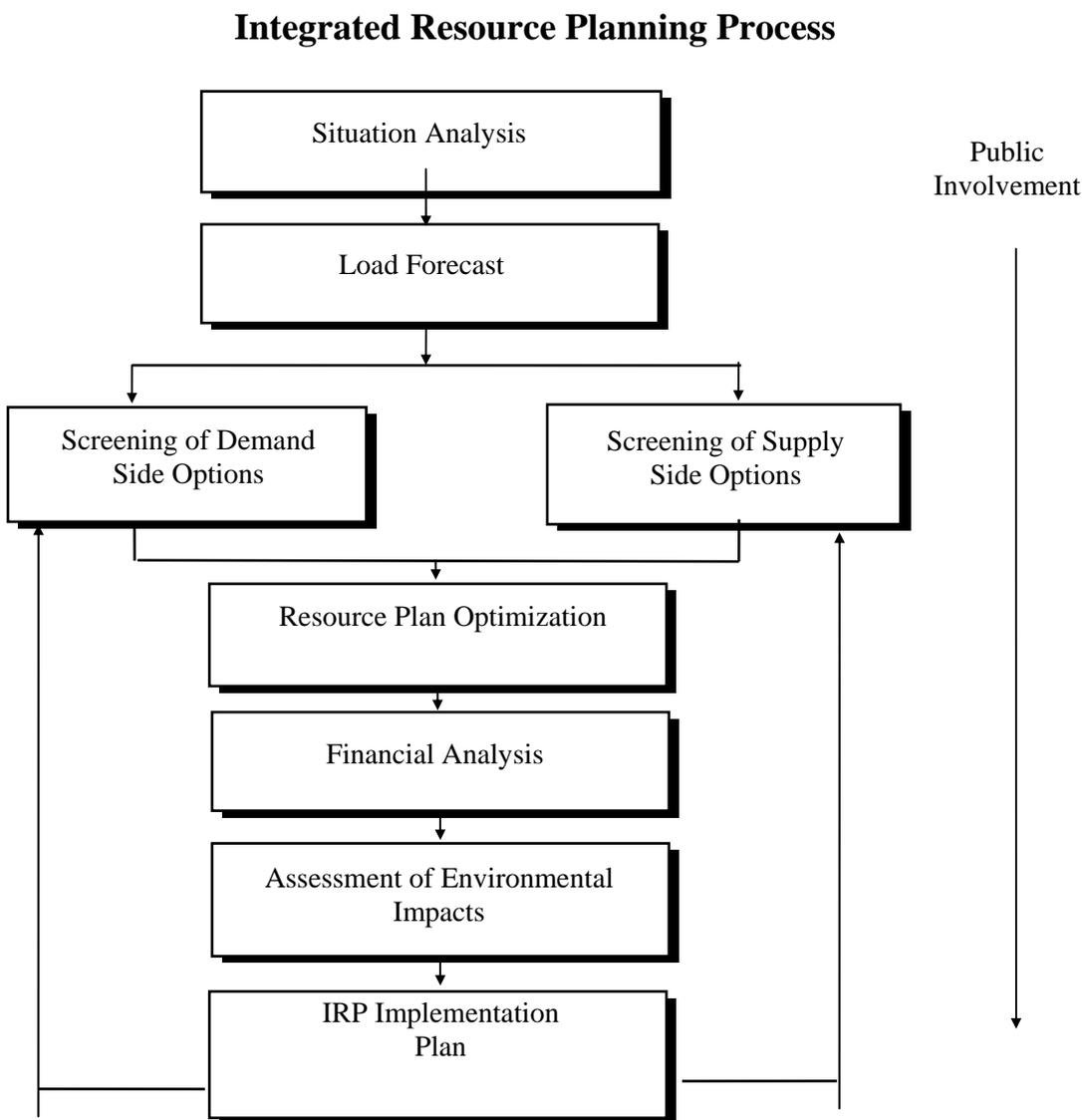


Figure 2-1

Deseret's work plan closely followed the planning process outlined above. As is indicated in the process chart, public involvement is an integral part of the process. The public involvement process followed for this IRP is outlined below:

PUBLIC INFORMATION PROCESS

Public input was solicited during the IRP process. Public involvement was achieved through public meetings held by each of the Member Cooperatives, individual cooperative board approval and approval by the Deseret Board of Trustees. The public process generally included a review of the IRP process and the principal considerations and assumptions used in the development of a draft IRP. After review and consideration

of public comments, the IRP was approved and adopted by resolution at the _____ meeting.

ENERGY POLICY ACT

On October 24, 1992, the Energy Policy Act (EPACT) was signed into law, which requires that Western's customers prepare and implement IRPs.

EPAMP

Western implemented EPACT through the Energy Planning and Management Program (EPAMP) in October 1995. As required by EPACT Western completed a review of its IRP regulations during 1999 and published revisions to its final IRP rules in March 2000.

WESTERN IRP RULES

Western defines IRP and least-cost option consistently with EPACT and the Deseret IRP process as follows:

INTEGRATED RESOURCE PLANNING

Means a planning process for new energy resources that evaluates the full range of alternatives, including new generating capacity, power purchases, energy conservation and efficiency, cogeneration and district heating and cooling applications, and renewable energy resources, in order to provide adequate and reliable service to a customer's electric consumers at the customer's or Member's lowest system cost. The process shall take into account necessary features for system operation, such as diversity, reliability, dispatchability, and other factors of risk; shall take into account the ability to verify energy savings achieved through energy efficiency and the projected durability of such savings measured over time; and shall treat demand and supply resources on a consistent and integrated basis.

LEAST-COST OPTION

Means an option for providing reliable electric services to electric consumers which will, to the extent practicable, minimize life-cycle system costs, including adverse environmental effects, of providing such service. To the extent practicable, energy efficiency and renewable resources may be given priority in any least-cost option.

IRP CONTENT

Western's final published rules, as amended, clearly delineate the required contents of an IRP which formed the basis for Deseret's process. Selected portions of the rule are cited below.

905.11 INTEGRATED RESOURCE PLAN CONTENTS

905.11 What must an IRP include?

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(a) General. Integrated resource planning is a planning process for new energy resources that evaluates the full range of alternatives, including new generating capacity, power purchases, energy conservation and efficiency, cogeneration and district heating and cooling applications, and renewable energy resources, to provide adequate and reliable service to a customer's electric consumers. An IRP supports customer-developed goals and schedules. The plan must take into account necessary features for system operation, such as diversity, reliability, dispatchability, and other risk factors; must take into account the ability to verify energy savings achieved through energy efficiency and the projected durability of such savings measured over time; and must treat demand and supply resources on a consistent and integrated basis.

(b) IRP criteria. IRPs must consider electrical energy resource needs and may consider, at the customer's option, water, natural gas, and other energy resources. Each IRP submitted to Western must include:

(1) Identification of resource options. Identification and comparison of resource options is an assessment and comparison of existing and future supply-and demand-side resource options available to a customer based upon its size, type, resource needs, geographic area, and competitive situation. Resource options evaluated by the specific customer must be identified. The options evaluated should relate to the resource situation unique to each Western customer as determined by profile data (such as service area, geographical characteristics, customer mix, historical loads, projected growth, existing system data, rates, and financial information) and load forecasts. Specific details of the customer's resource comparison need not be provided in the IRP itself. They must, however, be made available to Western upon request.

(i) Supply-side options include, but are not limited to, purchased power contracts and conventional and renewable generation options.

(ii) Demand-side options alter the customer's use pattern to provide for an improved combination of energy services to the customer and the ultimate consumer.

(iii) Considerations that may be used to develop potential options include cost, market potential, consumer preferences, environmental impacts, demand or energy impacts, implementation issues, revenue impacts, and commercial availability.

(iv) The IRP discussion of resource options must describe the options chosen by the customer, clearly demonstrating that decisions were based on a reasonable analysis of the options. The IRP may strike a balance among the applicable resource evaluation factors.

(2) Action plan. IRPs must include an action plan describing specific actions the customer will take to implement its IRP.

(i) The IRP must state the time period that the action plan covers, and the action plan must be updated and resubmitted to Western when this time period expires. The customer may submit a revised action plan with the annual IRP progress report discussed in '905.14.

(ii) For those customers not experiencing or anticipating load growth, the action plan requirement for the IRP may be satisfied by a discussion of current actions and procedures in place to periodically reevaluate the possible future need for new resources. The action plan must include a summary of: (A) Actions the customer expects to take in accomplishing the goals identified in the IRP;

(B) Milestones to evaluate accomplishment of those actions during implementation; and

(C) Estimated energy and capacity benefits for each action planned.

(3) Environmental effects. To the extent practical, the customer must minimize adverse environmental effects of new resource acquisitions and document these efforts in the IRP. Customers are neither precluded from nor required to include a quantitative analysis of environmental externalities as part of the IRP process. IRPs must include a qualitative analysis of environmental effects in summary format.

(4) Public participation. The customer must provide ample opportunity for full public participation in preparing and developing an IRP (or any IRP revision or amendment). The IRP must include a brief description of public involvement activities, including how the customer gathered information from the public, identified public concerns, shared information with the public, and responded to public comments. Customers must make additional documentation identifying or supporting the full public process available to Western upon request.

(i) As part of the public participation process, the governing body of an MBA and each MBA member (such as a board of directors or city council) must approve the IRP, confirming that all requirements have been met. To indicate approval, a responsible official must sign the IRP submitted to Western or the customer must document passage of an approval resolution by the appropriate governing body included or referred to in the IRP.

(ii) For Western customers that do not purchase electricity for resale, such as some State, Tribal, and Federal agencies, the customer can satisfy the public participation requirement by having a top management official with resource acquisition responsibility review and concur on the IRP. The customer must note this concurrence in the IRP.

(5) Load forecasting. An IRP must include a statement that the customer conducted load forecasting. Load forecasting should include data that reflects the size, type, resource conditions, and demographic nature of the customer using an accepted load forecasting method, including but not limited to the time series, end-use, and econometric methods. The customer must make the load forecasting data available to Western upon request.

(6) Measurement strategies. The IRP must include a brief description of measurement strategies for options identified in the IRP to determine whether the IRP's objectives are being met. These validation methods must include identification of the baseline from which a customer will measure the benefits of its IRP implementation. A reasonable balance may be struck between the cost of data collection and the benefits resulting from obtaining exact information. Customers must make performance validation and evaluation data available to Western upon request.

(c) IRP criteria for certain customers not qualifying for >>small customer== status. Customers with limited economic, managerial, and resource capability and total annual sales and usage of 25 gigawatthours (GWh) or less who are members of joint-action agencies and generation and transmission cooperatives with power supply responsibility are eligible for the criteria specified in paragraphs (c)(1) and (c)(2) of this section.

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- (1) Each IRP submitted by a customer under paragraph (c) of this section must:
 - (i) Consider all reasonable opportunities to meet future energy service requirements using DSM techniques, renewable energy resources, and other programs; and
 - (ii) Minimize, to the extent practical, adverse environmental effects.
- (2) Each IRP submitted by a customer under paragraph (c) of this section must include, in summary form:
 - (i) Customer name, address, phone number, email and Website if applicable, and contact person;
 - (ii) Customer type;
 - (iii) Current energy and demand profiles, and data on total annual energy sales and usage for the past 5 years, which Western will use to verify that customers qualify for these criteria;
 - (iv) Future energy services projections;
 - (v) How items in paragraphs (c)(1)(i) and (c)(1)(ii) of this section were considered; and
 - (vi) Actions to be implemented over the customer's planning time frame.

SECTION 3

LOAD FORECAST

METHODOLOGY

Deseret's IRP load forecast which was developed employing a detailed understanding of specific Member customer loads, econometric regression analysis, trending analysis and assumptions resulting from an understanding of local economics and demographics specific to each individual cooperative was reviewed, updated to reflect current customer criteria and economic conditions, and utilized as the IRP UPDATE load forecast. A significant amount of Deseret's total Member loads are related to a relatively small number of industrial customers in the petroleum and mining industries. Specific knowledge pertaining to these customers is critical in the development of a representative forecast of Deseret Members' load and energy requirements.

Both the trending analyses and econometric regression analyses involved the evaluation of historical demand and energy requirements for the periods 2000-2011. These analyses considered the affect of weather, population, local economic conditions, the price of electricity and the price of certain commodities in order to help develop representative individual Member forecasts.

Load forecasts were developed for each of the Member Cooperatives and were then aggregated into a single Deseret Member load forecast. The forecasts developed for each of the Member energy requirements including (local losses) were summed to produce an aggregate energy requirement. System wide transmission losses were then added to this aggregate amount to arrive at a Deseret Member system energy requirement.

Forecasted Member demand was established by first summing the individual Members' projected annual peak demand to establish a non-coincident peak demand. To project a coincident peak demand, a coincidence factor was applied to the forecasted non-coincident peak. The coincidence factor was established based on an analysis of historical coincidence factors for the Deseret system.

Individual Member forecasts and a combined Deseret Member forecast were reviewed by the cooperatives and Deseret. The consensus forecast is used in this IRP as the baseline forecast.

LOAD FORECAST OVERVIEW

Historically, Desert's combined Member loads grew at an average growth rate of approximately 2 percent for the period of 1986-2011. For the period of 2005-2011, combined coincident Member peak demands and energy grew at an average of 5.2 percent and 3.3 percent respectively per year primarily due to residential and small commercial load growth. Large commercial (mining and oil field) loads grew at an average rate of 1.4 percent per year during the same period. The following graphs depict Deseret Member system historical load growth and energy requirements.

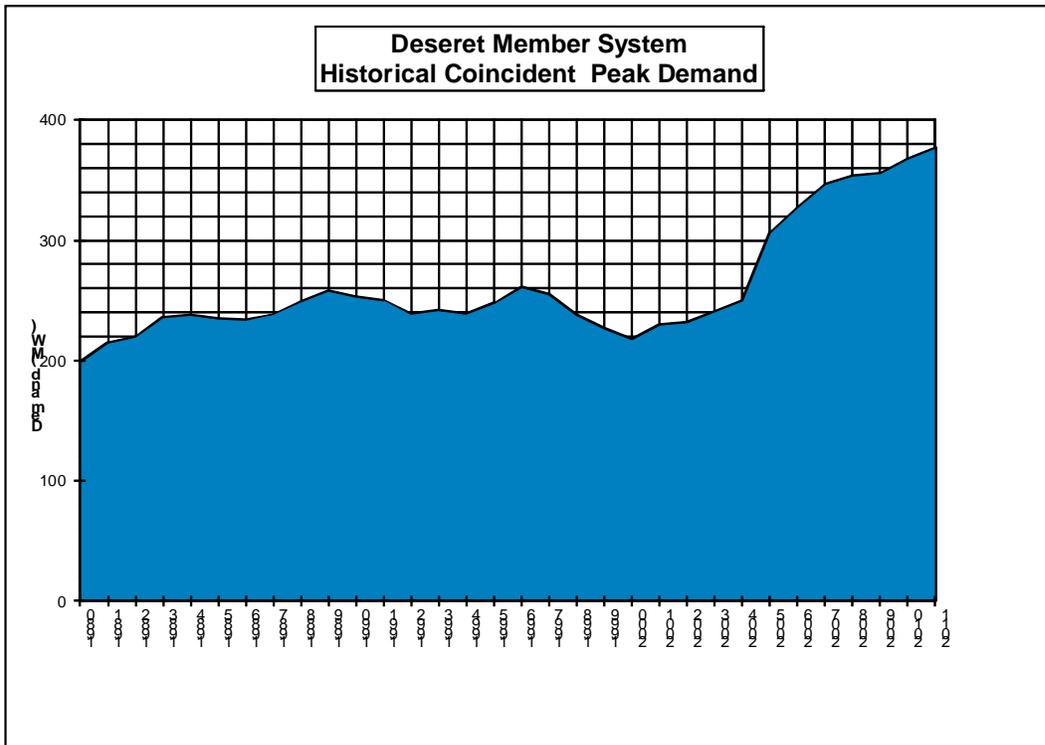


Figure 3-1

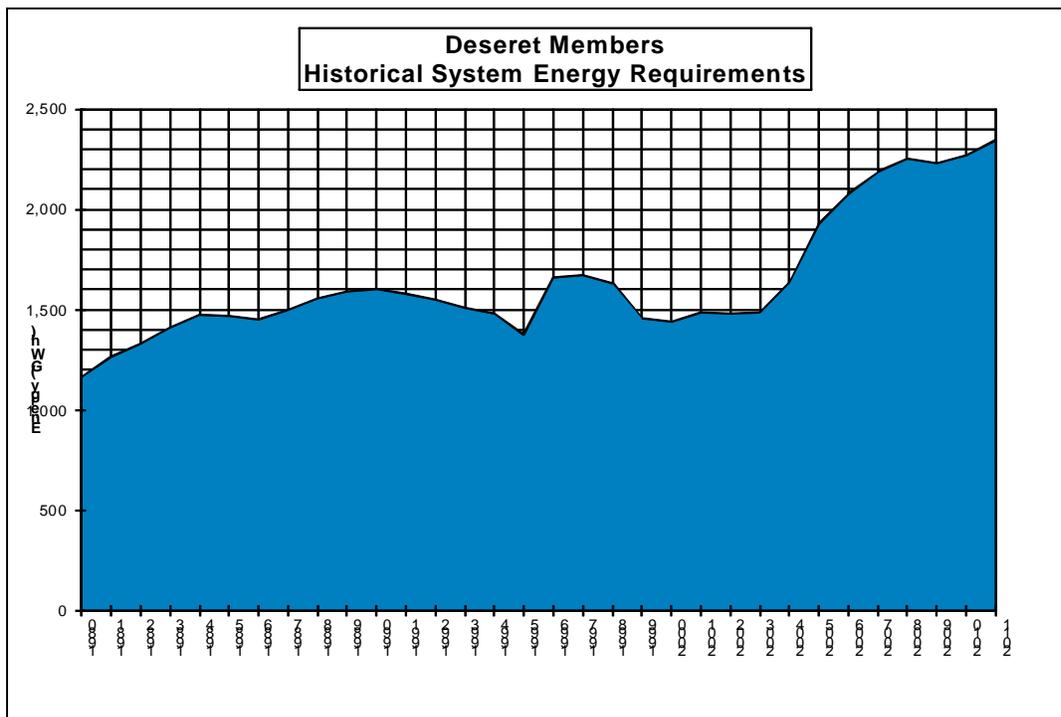


Figure 3-2

OVERVIEW

The results of the Deseret system load forecast is shown below in both graphical and table format.

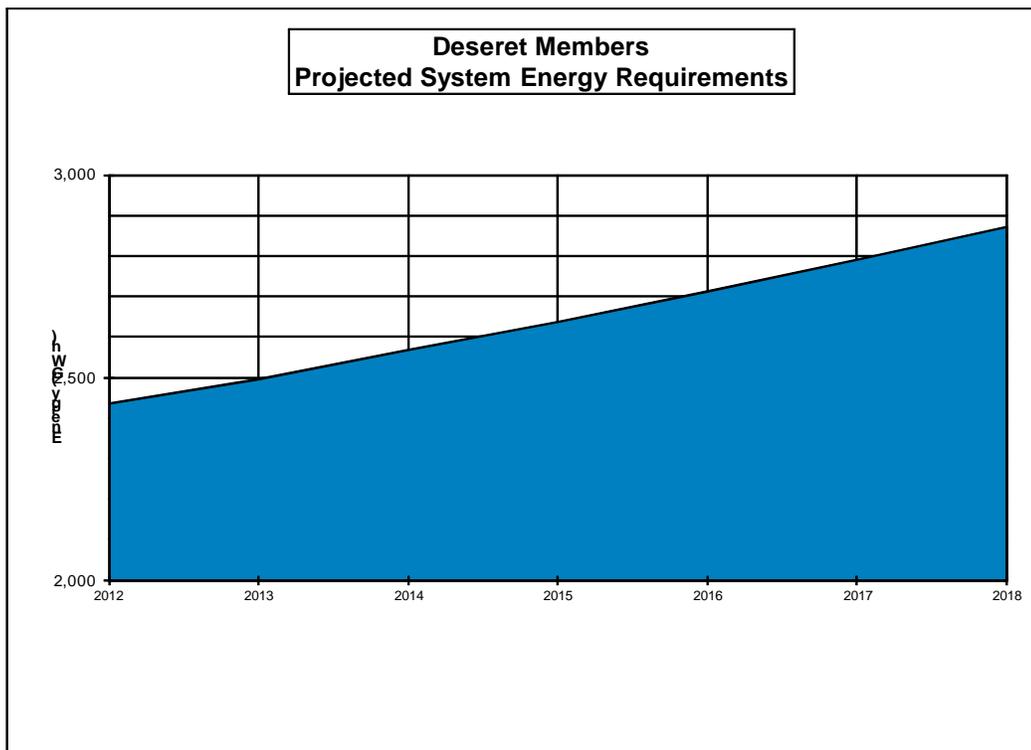


Figure 3-3

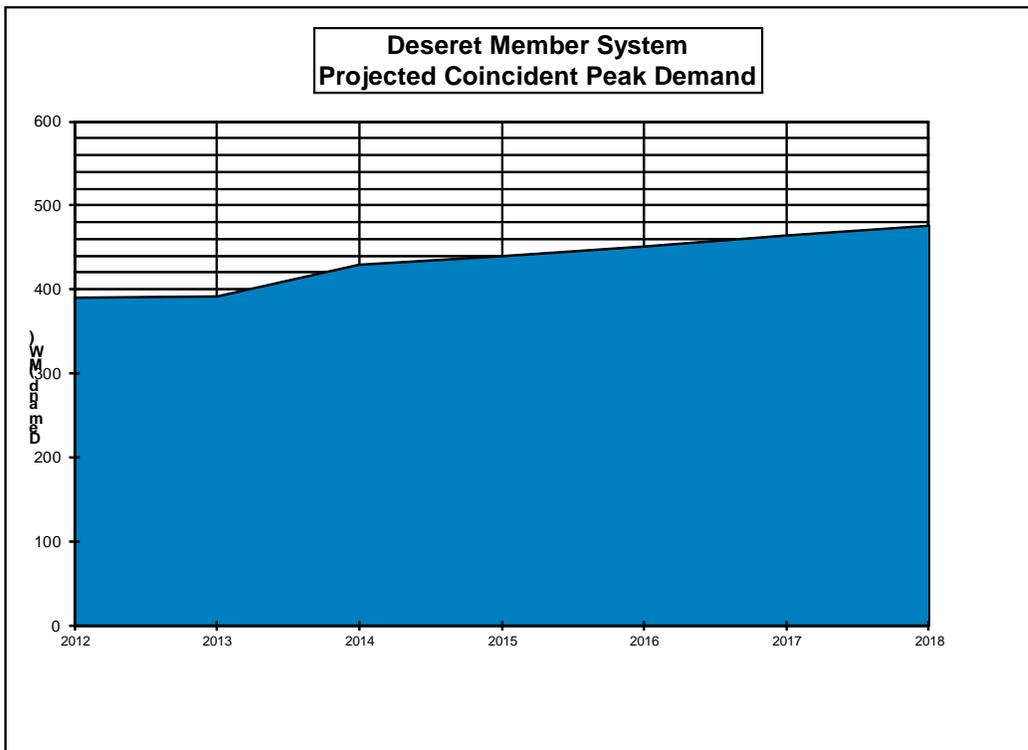


Figure 3-4

Table 3-2 Deseret Historical and Projected Coincident Peak Demand			
Year		MW	% Change
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1983		236	-
1984		238	0.89%
1985		235	-1.29%
1986		234	-0.46%
1987		239	2.06%
1988		249	4.41%
1989		258	3.48%
1990		253	-1.72%
1991		251	-1.05%
1992		239	-4.70%
1993		242	1.51%
1994		239	-1.24%
1995		248	3.42%
1996		261	5.33%
1997		255	-2.19%
1998		238	-6.67%
1999		227	-4.80%
2000		218	-3.95%
2001		230	5.75%
2002		232	0.70%
2003		241	4.06%
2004		250	3.64%
2005		306	22.58%
2006		328	6.88%
2007		346	5.73%
2008		353	2.06%
2009		356	0.73%
2010		368	3.38%
2011		377	2.44%
2012		390	3.53%
2013		391	0.15%
2014		430	9.91%
2015		439	2.22%
2016		451	2.73%
2017		464	2.74%
2018		476	2.72%

Year	GWh	% Change
1983	1,408	-
1984	1,472	4.5%
1985	1,468	-0.2%
1986	1,453	-1.1%
1987	1,497	3.1%
1988	1,553	3.7%
1989	1,591	2.5%
1990	1,600	0.6%
1991	1,579	-1.3%
1992	1,547	-2.0%
1993	1,509	-2.4%
1994	1,479	-2.0%
1995	1,375	-7.0%
1996	1,662	20.9%
1997	1,673	0.7%
1998	1,632	-2.4%
1999	1,459	-10.7%
2000	1,437	-1.5%
2001	1,483	3.2%
2002	1,481	-0.1%
2003	1,487	0.4%
2004	1,636	10.0%
2005	1,925	17.6%
2006	2,075	7.8%
2007	2,185	5.3%
2008	2,251	3.0%
2009	2,230	-0.9%
2010	2,271	1.8%
2011	2,345	3.3%
2012	2,436	3.9%
2013	2,497	2.5%
2014	2,567	2.8%
2015	2,638	2.8%
2016	2,714	2.9%
2017	2,792	2.9%
2018	2,872	2.9%

LOAD COMPOSITION

Deseret's combined Member loads continue to include a high percentage of industrial loads, and in particular, petroleum industry loads and a number of mining loads which are often served at high load factors. Generally these large industrial loads produce a "commodity" product where electricity costs represent a significant percentage of the total production costs. The loads from these customers can be highly sensitive factors including but not limited to:

- the price of electricity
- the market price of their "commodity"
- the price of alternative fuels including natural gas
- production techniques and requirements

Petroleum industry and mining loads are served predominantly by Moon Lake and Mt. Wheeler, although, Bridger Valley and Garkane also serve large oil industry customers. Approximately 43 percent of the total Member load in 2011 was petroleum and mining business related.

Of the remaining Member loads, residential and small commercial customers account for approximately 50 percent of the 2011 total Member sales. Sales to the Irrigation and Public Authorities classes amounted to approximately 7 percent of the total 2011 energy sales of the Members. The following graph illustrates the distribution of Members' energy sales to the customer groups above.

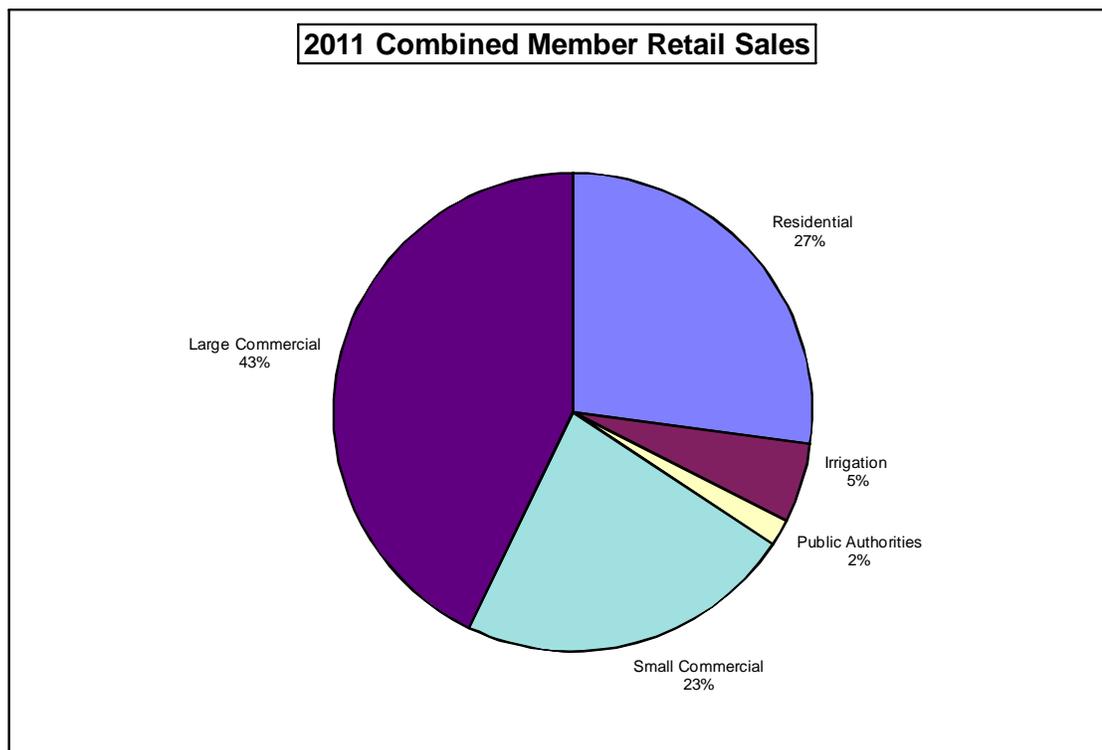


Figure 3-5 Member Systems

BRIDGER VALLEY ELECTRIC ASSOCIATION, INC.

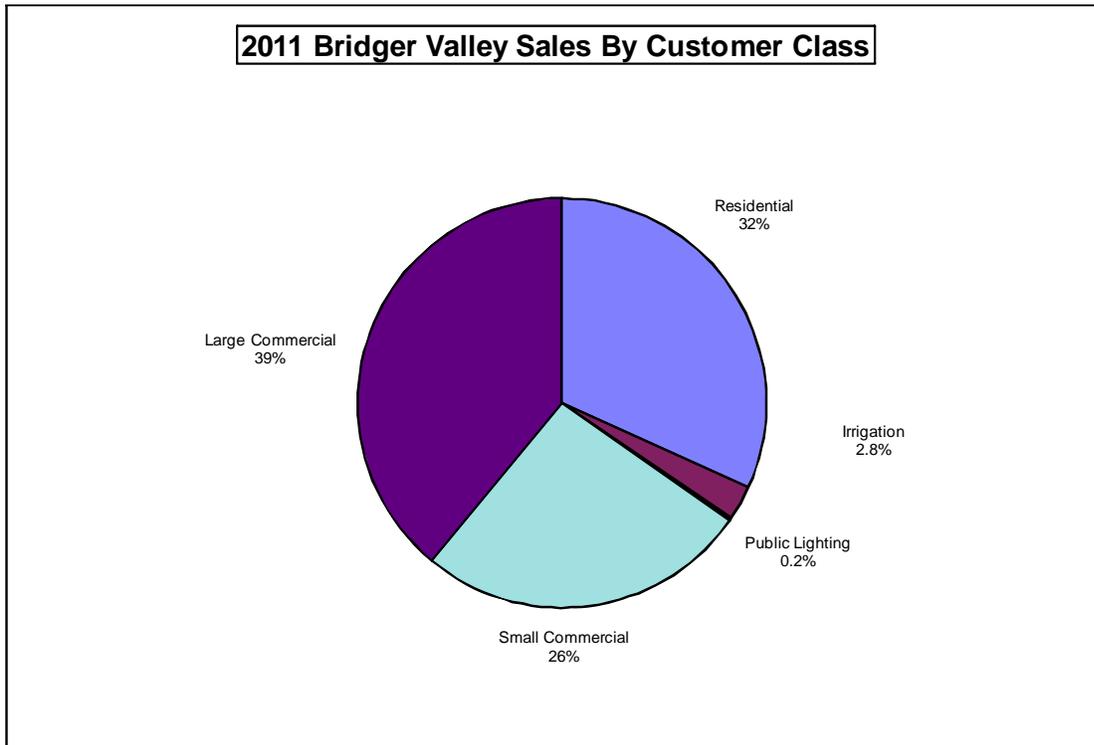
SERVICE AREA

Bridger Valley Electric Association (Bridger Valley) is located in Mountain View, Wyoming. It serves portions of Uintah, Lincoln, and Sweetwater counties in southwestern Wyoming and Daggett and Summit counties in northeastern Utah. The service area is defined by the Public Service commissions of Wyoming and Utah. The territory is expected to remain at its present boundaries.

LOAD HISTORY AND POTENTIAL

Bridger Valley's sales by customer class are heavily influenced by the residential, small commercial, and large commercial class. The commercial class includes several oil and natural gas industry loads. During the period 2005-2011 Bridger Valleys total retail sales have grown at an average 6.2 percent per year. Sales growth during this period was greater than historical mainly due to petroleum industry and other commercial loads. Load growth during the study period is forecasted to average 3.0 percent per year. The following graph illustrates the distribution of Bridger Valley's energy sales by customer groups.

Figure 3-6



COMPETITIVE ENVIRONMENT

Natural gas is available to a majority of Bridger Valley consumers and Bridger Valley has identified the need to remain competitive with natural gas service. Natural gas service from Mountain Fuel Supply Co. is available in the towns and adjacent areas served by Bridger Valley and provides competition for all service classifications. Bridger Valley estimates that natural gas service is currently available to some 60 percent of its customers.

DIXIE-ESCALANTE RURAL ELECTRIC ASSOCIATION

SERVICE AREA

Dixie-Escalante Rural Electric Association (Dixie Power) serves rural areas in parts of Washington and Iron counties in Utah and a small area of western Mohave County in Arizona. The cooperative offices are located in Beryl Junction, Utah, with a branch office in St. George, Utah.

LOAD HISTORY AND LOAD POTENTIAL

Overall, Dixie Power's system is dominated by the small commercial, residential, and irrigation customer classes. About 75 percent of the total residential load is located in the St. George area. Historically Dixie Power's total retail sales have increased at an annual average rate of approximately 5.6 percent during the period 2005-2011. Sales growth during this period was mainly in the small commercial and residential customer classes which grew at an average annual rate of 17.0 and 6.0 percent respectively. Load growth during the study period is forecasted to average 4.0 percent per year. The following graph illustrates the distribution of Dixie Power's energy sales by customer groups.

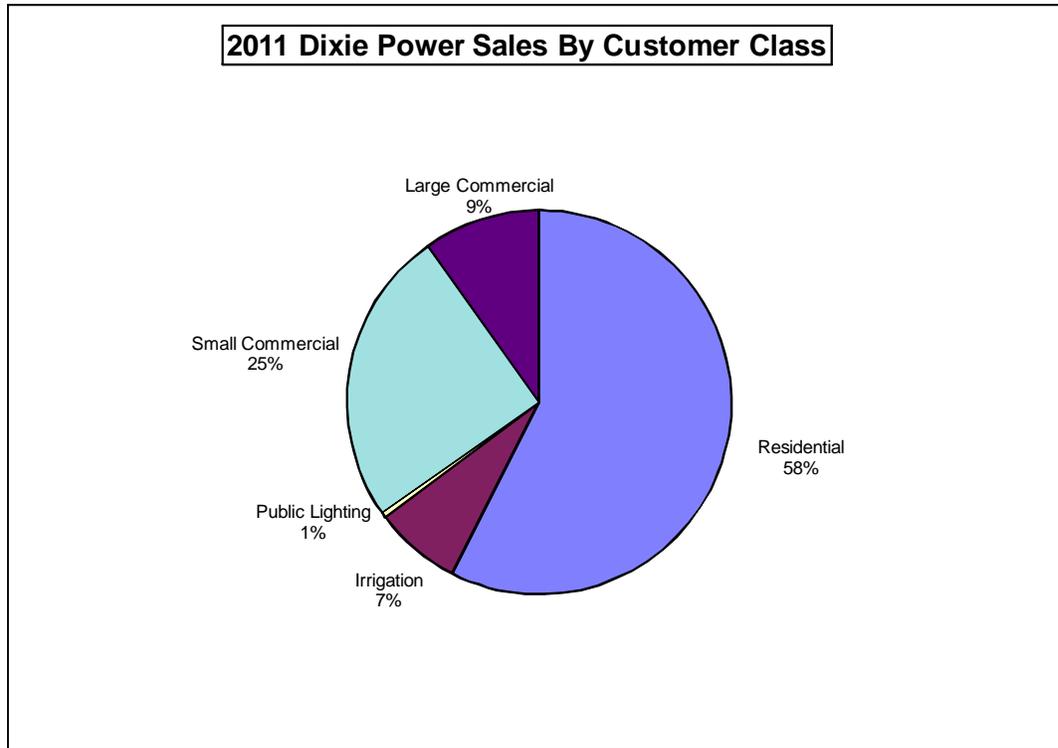


Figure 3-7

COMPETITIVE ENVIRONMENT

Overall, Dixie Power operates in a highly competitive environment for residential and commercial customers. Dixie Power is adjacent to one private utility (Rocky Mountain Power) and three municipalities (St. George, Washington, Hurricane) who have annexed their city boundaries over existing certificated territory. Dixie Power presently provides service in the annexed areas under franchise agreements.

Dixie Power's residential and commercial rates are very competitive with those of the neighboring utilities. Dixie Power has conducted price comparisons to monitor its competitive position with these neighboring utilities to determine its requirement for power resources.

The climate of Dixie Power's service area is very dry and arid. The typical farmer in the co-op's area requires approximately four acre-ft of water to harvest a crop (typically, hay), compared to three acre-ft for irrigation in northern Utah. The expense associated with this greater amount of irrigation required for harvest has a competitive impact on agricultural customers on the co-op's system. Dixie Power has developed an interruptible service rate to improve the economics of irrigation and the purchase of power resources.

Finally, Dixie Power also contends with the additional competitive threat through alternative fuels, principally natural gas. Questar Gas is a highly aggressive and well-marketed natural gas company with operations in the St. George and surrounding area. The co-op feels that switch over to residential and small commercial natural gas heating has been and will continue to be a competitive threat. The results of natural gas switch over has effectively eliminated Dixie Power's winter peak, transforming the co-op into a summer peaking system. The loss of load associated with this switch over is difficult to

quantify at this time. Dixie Power estimates that natural gas service is available to 70-80 percent of its current consumers.

FLOWELL ELECTRIC ASSOCIATION, INC.

SERVICE AREA

The Flowell Electric Association services customers in eastern Millard County in an approximate 2264 square mile area. The area is certified with the Public Service Commission of Utah. Although there are three towns in Flowell's service area, all three have municipal electric systems. Flowell's service area is joined on the east and south by the Pahvant Mountains (Fish Lake National Forest), on the west by the desert, and on the north by the service area of Utah Power & Light. The area is semi-arid, with residential, commercial, and farming development concentrated around available water.

LOAD HISTORY AND POTENTIAL

Irrigation sales continue to account for the majority of Flowell's retail sales, accounting for approximately 80 percent of the cooperatives 2011 sales. During the period 2005-2011 Flowell's total retail sales have grown at an average of 0.6 percent per year. Sales growth during this period was mainly in the residential and public authority customer classes which grew at an average annual rate of 2.8 and 19.5 percent respectively. The high load growth rate in the public authority customer class is the result of an expansion of lighting at interstate highway entrances. Continued growth in the public authority customer class is not expected to continue in the future. Load growth during the 2012-2018 study period is forecasted to average less than 1 percent per year with irrigation sales based on a 7 year historical average. The following graph illustrates the distribution of Flowell's energy sales by customer groups.

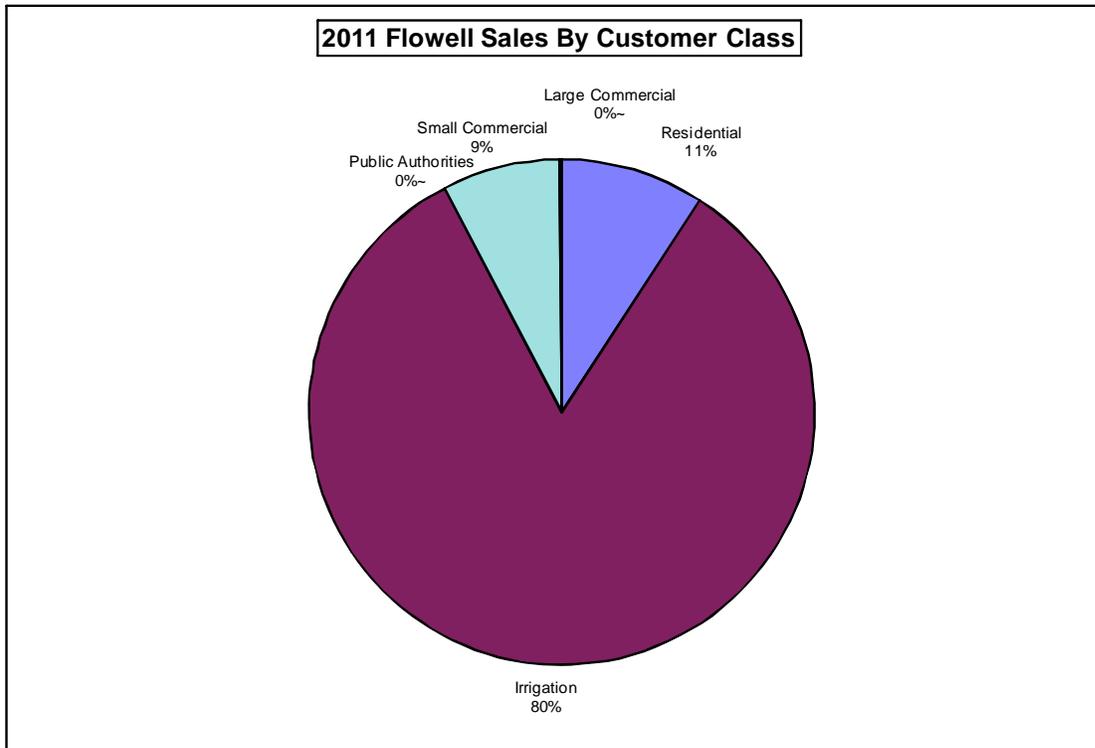


Figure 3-8

COMPETITIVE ENVIRONMENT

Flowell believes that alternative fuels provide some threat to the level of irrigation electricity sales. While the co-op is concerned about the loss of some pumping loads to alternative fuels, particularly natural gas, its larger concern is with future increases in electricity prices that may diminish the viability of agricultural businesses in its area resulting in the loss of pumping loads.

GARKANE ENERGY COOPERATIVE, INC.

SERVICE AREA

Garkane Energy Cooperative (Garkane) serves a portion of south central Utah, as well as the northwestern section of Arizona. The cooperative serves in the following counties of Utah; Wayne, Kane, Garfield, Puite, Sevier, Iron, and Washington. It also serves in northern portions of Mohave and Coconino counties of Arizona. The total area served is approximately 16,000 square miles, which includes 15 small rural towns, as well as the rural area in between. The headquarters office is located in Loa, Utah.

LOAD HISTORY AND POTENTIAL

Garkane's 2011 sales were derived predominately from the residential and small commercial class which in combination represented 81.0 percent of total sales. The cooperative's large commercial load is primarily composed of a large oil customer and

three other retail/governmental loads. Garkane's total oil load results from a single field. This field produces low grade oil used in the production of asphalt. The oil is recovered through the pumping of large quantities of water into the ground (strip welling). As a result, a large amount of electricity is used in this process. Production at this field depends largely upon the market demand of asphalt and has varied greatly over the years. The field was originally opened in 1965 with an eight year life expectancy. Although it continues to operate today, electric consumption has been decreasing and Garkane feels that the field is being depleted.

In addition to the aforementioned industrial customers, Garkane also serves a wide variety of national parks and recreational areas. The two most significant areas are the Grand Canyon and Bryce Canyon National Parks. The two parks have been steady customers over the last decade, providing a constant load to Garkane's system. The co-op sees this trend continuing well into the future. Garkane feels that sales in this area will continue providing stable load for the co-op.

Garkane's retail sales during the period 2005-2011 increased at an annual average rate of 7.0 percent. Acquisition of additional service territory in 2004 mid year, 2009 and residential sales growth to seasonal homes contributed to the above historical growth rate. Garkane expects this seasonal home growth trend to continue in the future. Load growth during the 2012-2018 study period is forecasted to average 4.0 percent per year.

The following graph illustrates the distribution of Garkane's energy sales by customer groups.

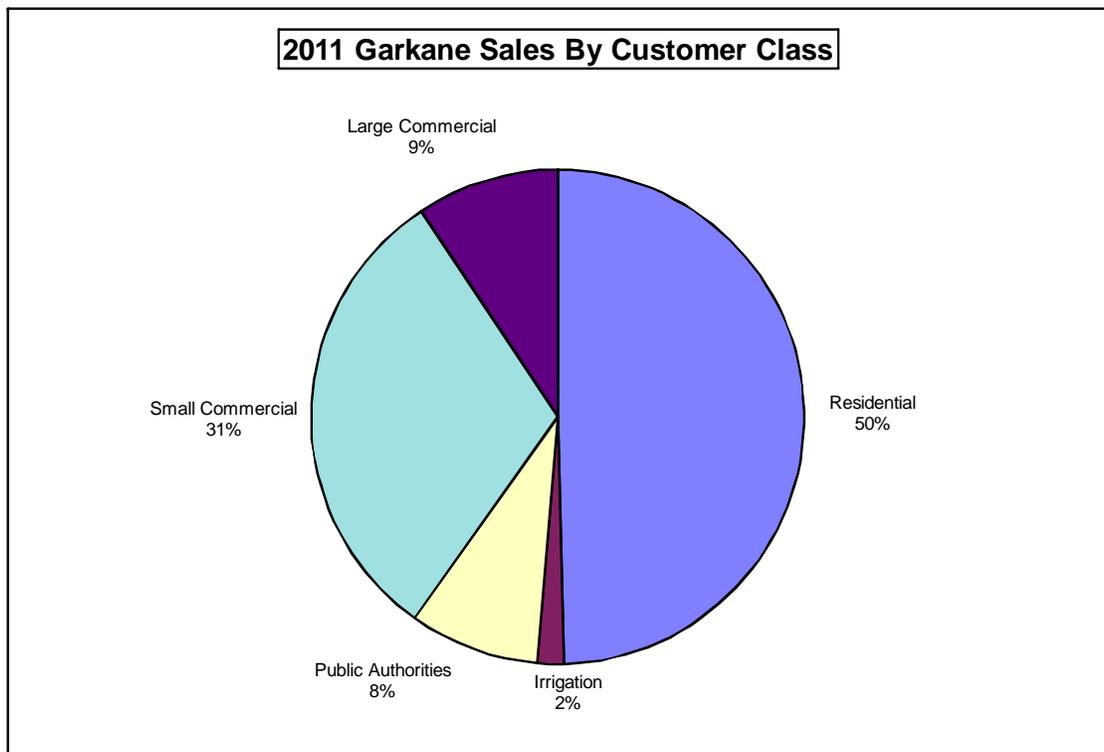


Figure 3-9

COMPETITIVE ENVIRONMENT

Similar to other Deseret Members with petroleum industry customers, Garkane is concerned with the sensitivity of its oil customer's load to electric prices. Of equal concern to the cooperative is the loss of some residential load due to high electric prices and competition from propane.

At the residential level, Garkane has lost some sales to alternative energy sources. Propane gas now provides some competition in certain areas and may be a consideration in the future.

MOON LAKE ELECTRIC ASSOCIATION, INC.

SERVICE AREA

Moon Lake Association, Inc. serves Utah customers in a small portion of eastern Wasatch county, all of Duchesne County, (including the towns of Roosevelt, Duchesne, Altamont, and Myton), part of Uintah County, (excluding the Vernal town area), and part of Daggett County (in Browns Park area). In Colorado, Moon Lake serves one fourth of the western part of Moffat county, western one-third of Rio Blanco County (including the town of Rangely), and a small part of Garfield County. Moon Lake has certified service territories in both Utah and Colorado.

Moon Lake's energy requirements represent approximately 41 percent of Deseret's total Member energy requirements. Moon Lake's kWh consumption is dominated by the small commercial and large commercial class, which represents 83 percent of 2011 sales. These two classes are composed predominantly of petroleum industry accounts.

LOAD HISTORY AND POTENTIAL

Moon Lake's electric load associated with oil and natural gas production has been primarily located in four major oil fields (Rangely, Red Wash, Altamont-Bluebell and Wonsits). Load growth in the future is projected to expand into additional oil fields within Duchesne County. In the 1960s, the largest oil field producer began secondary recovery which included pumping water into the field to enhance oil recovery (water flooding). Tertiary recovery methods utilizing CO₂ injection have more recently been successfully applied to this field.

Historically, Moon Lake has shown steady load growth through the 1980s and early 1990s which closely paralleled the growth of the oil industry. Declining field productivity along with volatility in oil prices, however, have reversed the oil industries' load growth and increased the industries' sensitivity to electric prices for the period 1996-2004. Recent price increases for oil and natural gas have spurred investment and load growth by major oil and natural gas producers in the area.

Residential growth has historically been driven by growth in oil development and other satellite industries. Although some growth occurs from farming and tourism, Moon Lake believes that residential growth will remain driven by the prices of oil and natural gas. Residential growth has been steadily increasing for the past several years.

Irrigation sales are expected to continue at modest levels of increase in consumption in the next few years.

During the period of 2005-2011, Moon Lake's total retail sales have increased at an average annual rate of approximately 2.1 percent. During the 2012-2018 study period,

Moon Lake's total retail sales are projected to grow at an annual rate of 2.8 percent per year. A large portion of Moon Lake's projected load growth during the study period, 2012-2018, is expected to come from new oil and natural fields within Duchesne and Uintah Counties.

The following graph illustrates the distribution of Moon Lake's energy sales by customer groups.

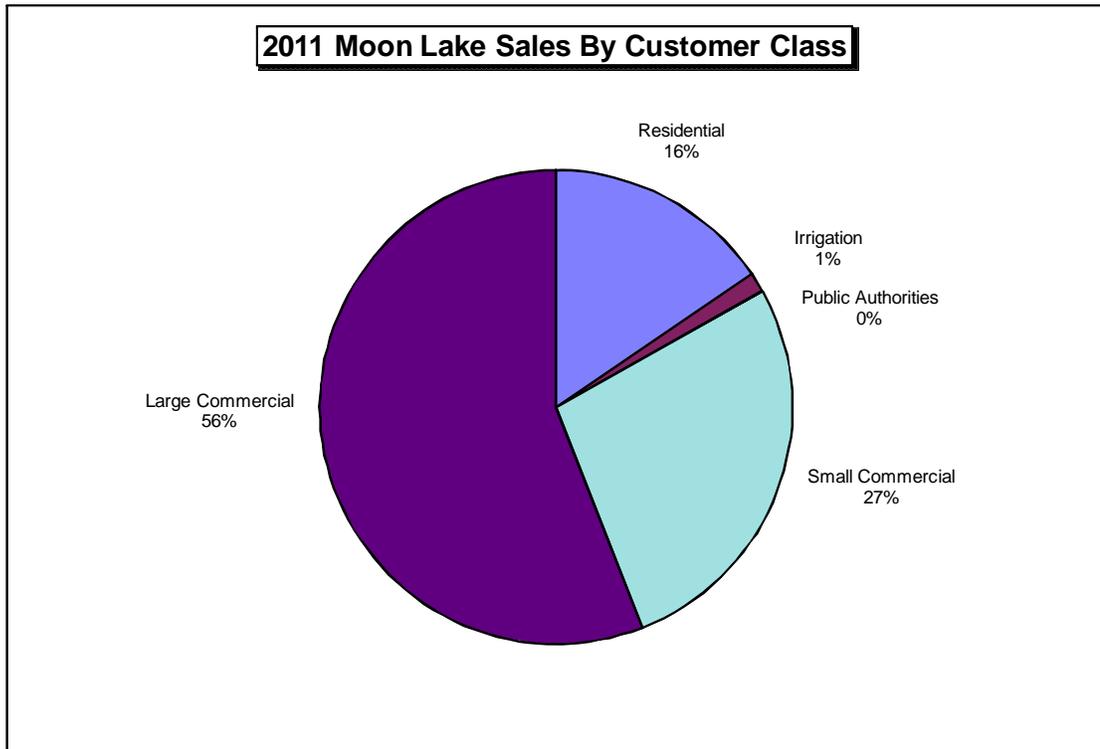


Figure 3-10

COMPETITIVE ENVIRONMENT

The increases of sales in the residential and small commercial rate classes are the result of capital investments in new oil field exploration and production. The investments are driven by the commodity prices for oil and natural gas. Moon Lake and Deseret continue to work with the oil industry loads in order to better understand the future requirements of these loads, as well as to structure rates that are competitive and support continued operation of the commercially viable fields.

Retail natural gas service is available in the major cities served by Moon Lake and along the highways and concentrations of small commercial and residential customers. Moon Lake has experienced losses of heating and water heating load to natural gas competition. Retail gas service is continuing to be extended into additional communities served by Moon Lake.

MT. WHEELER POWER, INC.

SERVICE AREA

Mt. Wheeler Power, Inc., is located in Ely, Nevada with a branch office in Eureka, Nevada. In Nevada, the cooperative serves White Pine County and portions of Elko, Eureka, and Nye counties. In Utah, the western portions of Millard, Juab, and Tooele counties are served.

LOAD HISTORY AND POTENTIAL

Historically, the mining industry has had a significant impact on Mt. Wheeler's overall system. In 2011 (Graph below), Mt. Wheeler's largest mining customer was responsible for approximately 61 percent of the co-ops total retail sales (kWh). The mining industry is very volatile, and subject to commodity availability as well as price indices. Forecast and market demand's suggest that metal prices will remain at their current levels for some time.

Mt. Wheeler's total retail sales during the period 2005-2011 grew at an annual rate of 2.4 percent per year. Mining loads during this period grew at a modest rate of 1 percent per year. Residential, irrigation, and small commercial sales increased by 5.7, 5.0 and 2.7 percent per year respectively.

Potential growth areas for Mt. Wheeler include proposals for additional mining operations. The proposed construction of a large Energy Center, included in the previous IRP, has been abandoned. Load growth during the 2012-2018 study period is forecasted to average 6.4 percent per year. This high level of growth is predicated on the addition of another large mining load.

The following graph illustrates the distribution of Mt. Wheeler's energy sales by customer groups.

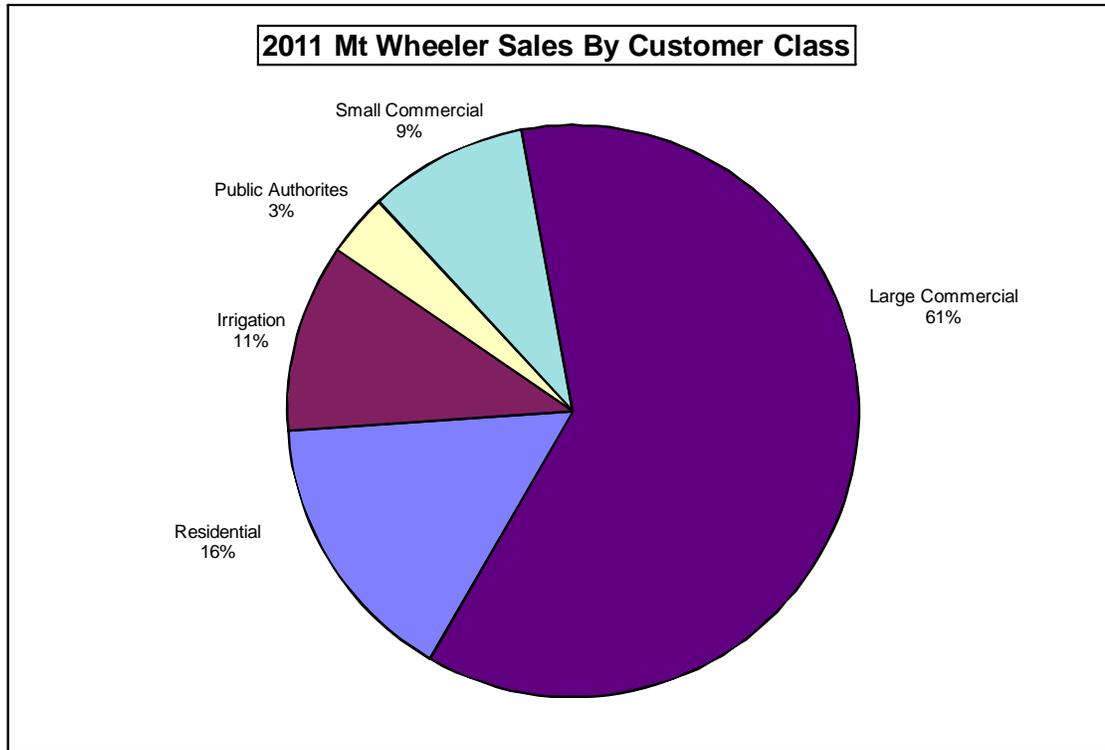


Figure 3-11

COMPETITIVE ENVIRONMENT

Mt. Wheeler remains concerned with the potential for loss of retail load to alternate energy sources in the future due to high electric prices. Mt. Wheeler's residential customers have in the past utilized propane, wood and coal when electric prices rose to a level that made the other energy sources attractive.

SECTION 4 EXISTING RESOURCES

INTRODUCTION

Currently all Member and Deseret resources are pooled in order to most efficiently serve Member loads and enhance off-system sales. Members receive credit for individual resources.

RESOURCES

Existing resources available to serve Member load consist of ownership interest in the coal-fired Bonanza power plant, an ownership interest in the coal-fired Hunter II generating unit, the individual cooperative's federal hydro-power allocations from the Western Area Power Administration (Western) and some additional hydro-electric generation owned by some of the Members and a number of small PURPA purchases.

The chart below depicts the capacity resources available to serve Member load.

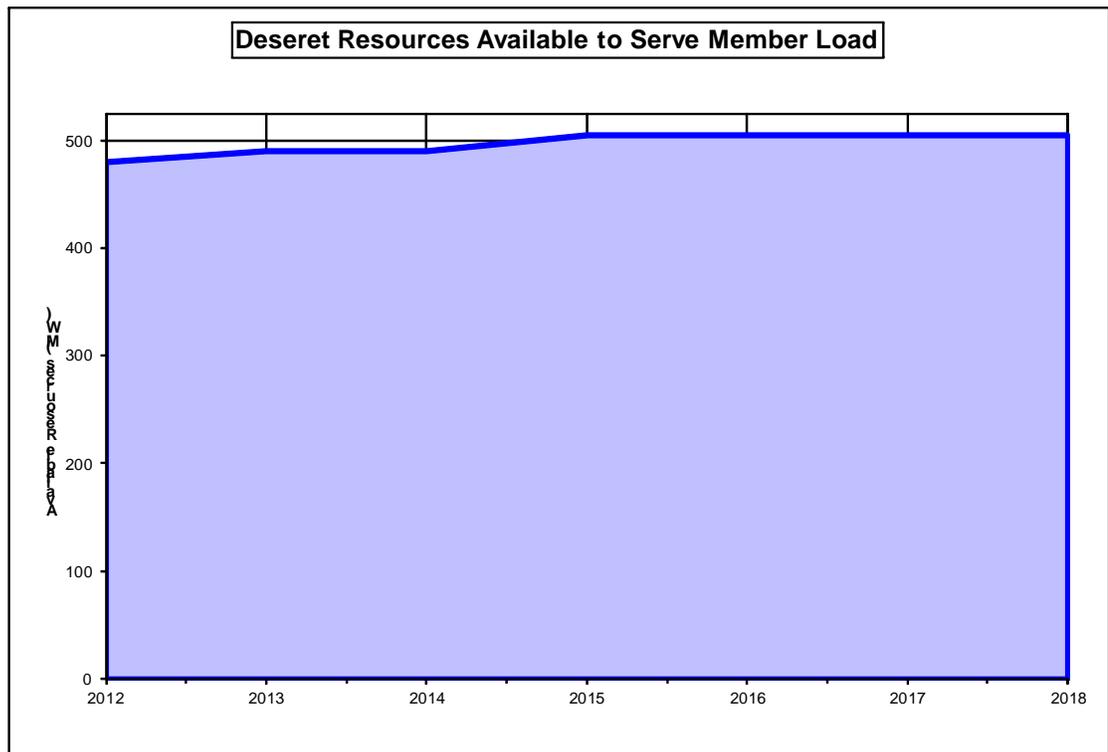


Figure 4-1

SECTION 4

Deseret has entered into various arrangements with transmission owners to permit the use of their transmission systems to deliver power and energy to specific Members directly and indirectly through wheeling contracts with other parties.

Deseret has contracted with PacifiCorp to deliver power produced by its ownership share in Hunter Unit No. II. Deseret is presently interconnected with the Intermountain Power Project (IPP) and PacifiCorp at a jointly used substation owned by Pacifi Corp at Mona, Utah. Desert has also contracted with PacifiCorp to deliver power to certain Members through the Mona substation.

Desert has a similar agreement with the Western Area Power Administration, for service to Member customers in the WAPA Balancing Authority areas.

BONANZA UNIT I

Bonanza Unit No. 1 is a coal-fired generation unit located 35 miles southeast of Vernal, Utah. Bonanza Unit No. 1 entered serve in 1985. The current rating of Bonanza Unit No. 1 is 468 MW (net). Desert currently has a 96.25 percent ownership share in the Bonanza plant, or approximately 450 MW.

HUNTER UNIT NO. II

The Hunter Unit No. II project consists of Deseret's 25.11 percent (108 MW) ownership interest in the 430 MW (net Hunter Unit No. II coal-fired steam-electric generating unit located in Emery County, Utah, approximately 125 miles southeast of Salt Lake City and 2.5 miles southeast of Salt Lake City and 2.5 miles south of the town of Castle Dale, Utah. The project is part of the Hunter Station constructed by PacifiCorp, comprised of three similar generating units with a total capability of 1,230 MW. The project went into commercial operation in June 1980.

INTERMOUNTAIN POWER PROJECT UNITS 1 & 2

Intermountain Power Project Units No. 1 & 2 are coal-fired generation unit located near Delta, Utah. The IPP units entered serve in 1986 and 1987. The current rating of each unit is 900 MW (net). Deseret's Members have an 7.02 percent entitlement to the output of both units, or approximately 128 MW total.

FEDERAL HYDRO-POWER ALLOCATIONS

Deseret's Members each have a federal hydro-power allocation from the Western's Salt Lake City Area Integrated Project (SLCA/IP) under the Colorado River Storage Project (CRSP). Western's post 2004 contracts include a 7 percent allocation reduction for all current customers. Deseret's Member allocations in the IRP UPDATE have been adjusted to reflect the allocation reduction. The capacity and energy allocation in effect for each Member and the combined totals are shown in the table below.

**Table 4-1
CAPACITY AND ENERGY ALLOCATION**

	Summer		Winter	
	Capacity (kW)	Energy (kWh)	Capacity (kW)	Energy (kWh)
Bridger Valley	8,101	14,810,918	10,008	18,241,127
Dixie-Escalante	17,737	31,381,753	22,399	38,396,419
Flowell Electric	4,162	7,372,210	358	613,108
Garkane Power	13,980	24,833,690	18,870	32,421,593
Moon Lake	46,632	82,605,243	58,424	100,336,652
Mt. Wheeler	<u>22,456</u>	<u>39,781,209</u>	<u>15,977</u>	<u>27,489,069</u>
Total	113,068	200,785,023	126,036	217,497,968

The minimum capacity shown above represents a 35 percent minimum hourly take of the seasonal maximum capacity. In effect, a portion of this resource is baseload power (due to the hourly minimum) and the remaining portion is used for peaking power. The peaking portion of the resource is scheduled to make optimal use of the maximum monthly capacity and the remaining energy not used to satisfy the hourly minimum.

MEMBER RESOURCES

A number of the Members have additional resources available to serve load. Under the present rate structure, these resources have been "pooled" so Deseret may dispatch resources to most effectively serve load. The individual Cooperative Members receive capacity and energy credit for these resources. The resources, resource capabilities and resource type and the cooperative are presented in the table below.

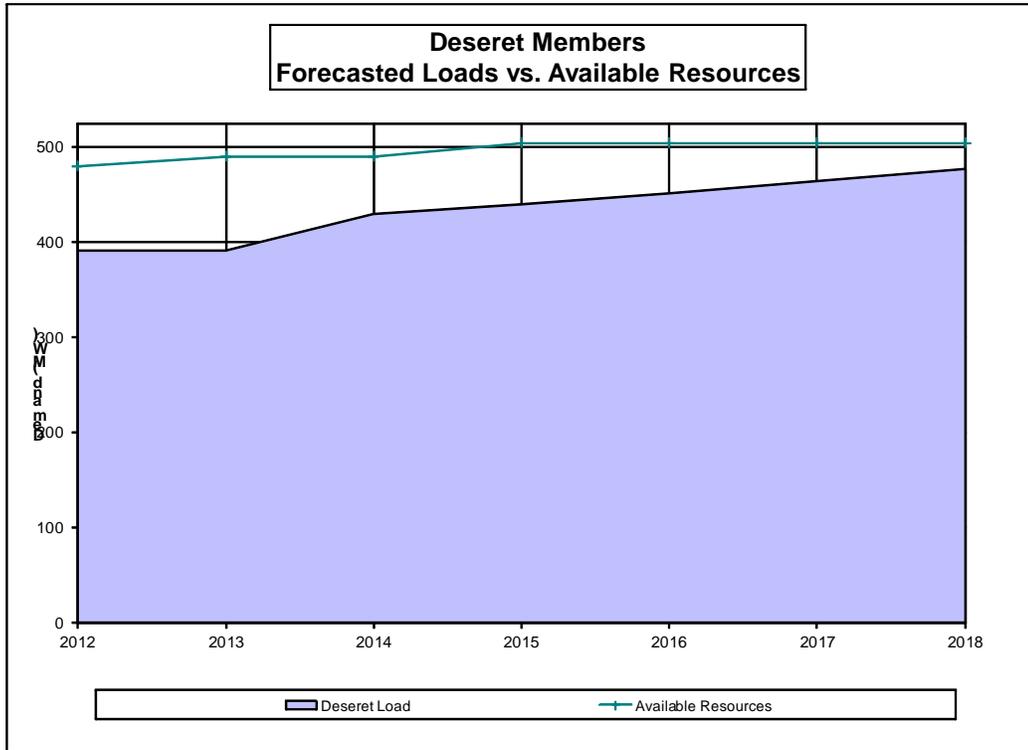
**Table 4-2
ADDITIONAL MEMBER RESOURCES**

<u>Resource</u>	<u>Capability (kW)</u>	<u>Type</u>	<u>Cooperative</u>
Taylor Draw	2,000	PURPA	Moon Lake
Yellowstone	900	Member-Owned	Moon Lake
Uintah	1,200	Member-Owned	Moon Lake
Boulder Upper No. 1	1,500	Member-Owner	Garkane
Boulder Upper No. 2	1,500	Member-Owned	Garkane
Boulder Upper No. 3	1,500	Member-Owned	Garkane
Boulder Lower No. 1	350	Member-Owned	Garkane
Boulder Lower No. 2	350	Member-Owned	Garkane
Peterson	100	Member-Owned	Garkane
Quail Creek	2,300	Member-Owned	Dixie-Escalante
BMB	350	Member-Owned	Mt. Wheeler

LOADS AND RESOURCES

Comparing Deseret's forecasted peak loads, loads (including reserves and losses) versus resources, Deseret and its Members have adequate reserves available throughout the study period. The figure below illustrates the anticipated reserve or excess capacity as compared with forecasted peak demand.

Figure 4-2



SECTION 5

MEMBER CUSTOMER PROGRAMS

INTRODUCTION

Traditionally, a key component to any IRP is DSM programs which typically act to alter the demand and energy requirements of the end-use consumer from those that would otherwise be seen by the system.

As is discussed in greater detail in Section 8 of this report, DSM should be considered on an equivalent basis as supply-side resources when investigating new or additional resources.

Deseret, with the agreement of its members, implemented a tiered rate structure in the wholesale power contract under which it furnishes capacity and energy to its members in mid 2011. The tiered structure imposes a surcharge applicable to capacity and energy purchases by a Deseret in the event the member's purchases exceed monthly thresholds set on a member-by-member basis. The purpose of this rate change is to incentivize Deseret Members' efforts to preserve the economics of existing resources in Deseret's portfolio and avoid higher costs of installed or purchased power through use of retail demand side management and conservation programs.

Deseret's Members have historically provided programs and services to their member consumers which fall under the generic classification of DSM. These programs were provided based on identified utility objectives and customer needs.

Due to a number of factors including but not limited to the current excess supply situation and the continued movement of the electric industry towards enhanced competition, Deseret and the Members recognize the significance of maintaining successful customer programs as part of its resource base.

Below is a brief description of each of the Members historical Customer Programs and a summary of those programs which are currently considered part of the individual Member's "DSM" and Customer Program resource base.

BRIDGER VALLEY

Bridger Valley's current Customer Programs include an electric water heater rebate program, an electric heating and cooling rate program, a home energy audit program and a special load management program with a large industrial customer.

Bridger Valley currently has approximately 500 consumers on the electric incentive heating and cooling rate. Its rebate program provides for the replacement of gas water heaters with an electric unit, with Bridger Valley rebating the full purchase price of the water heater.

Bridger Valley's existing home energy audits are conducted at the request of the member-consumer and include an inspection of the residence, an evaluation of the consumers

SECTION 5

overall energy use, and a recommendation as to how the consumer can improve overall efficiency. Bridger Valley conducts approximately 15 residential and 6 commercial and industrial audits during a typical year.

Bridger Valley has implemented what may be considered a load management program with one of its industrial customers. In order to assist the customer with minimizing its power costs, Bridger Valley makes Deseret's Member load schedule available so the customer can plan its operations around Deseret's anticipated peaks. The result of this program is that the customer can reduce monthly billing demand and corresponding demand charges.

DIXIE POWER

Dixie Power's Customer Programs involve the use of a load management system, an electric appliance and space heating marketing program, and rate schedules that encourage the practical use of electricity to its individual member consumers. Declining block rate schedules have been replaced with flat rate schedules and customer charges have been implemented that better reflect fixed costs.

In addition to its standard rate schedules, Dixie Power offers an Interruptible Pumping Service and an Off-Peak Service schedule to those consumers participating in a load control or load management program. Generally, the loads are interrupted by the cooperative's load management system or through voluntary customer interruption or operations shut-down during designated peak periods. The Interruptible Irrigation rate offer savings of approximately 14% over the standard rates to participating members while the Off-Peak Commercial rate offers approximately a 55% discount on demand charges to those commercial customers who can schedule their business operations around system peak periods.

Dixie Power offers its consumers, for a nominal fee, home energy audits that help determine what on-site improvements can be made which, over time, will ultimately lower the consumers total energy costs. Dixie Power has qualified personnel and obtained the necessary equipment (infrared camera, blower door, etc.) to perform this service for its consumers.

Dixie Power offers a \$500 rebate on installations of efficient electric water heaters. The rebates are contingent on minimum of a 50 gallon size.

Rebates are also offered on electric Air-to-Air and ground source heat pumps ranging from \$300/ton for a 13 SEER unit to \$400/ton for a 15 or greater SEER unit or a ground source heat pump..

A \$200 electric rebate is offered for all-electric new home construction.

FLOWELL

As described in the Load Forecast section, the majority of Flowell's loads are related to seasonal irrigation pumping. As such, the majority of Flowell's efforts have focused on the irrigation customer class. Flowell provides energy audits to residential consumers at no charge. Audit recommendations are made to promote the efficient use of electricity.

Every year, prior to the start of the irrigation season, the meters at each of the pumping services throughout the service territory are re-installed. This process gives Flowell's line-crews the opportunity to inspect each of the irrigator's services for any irregularities. The inspections typically cover both the electric service and the pumping equipment to the extent practical.

GARKANE

Garkane has developed an Energy Conservation Policy where home energy audits are offered to member consumers at no charge. Energy conservation information is periodically distributed to the member consumers through a monthly newsletter and board meetings. Garkane provides energy audits to residential consumers at no charge. Audit recommendations are made to promote the efficient use of electricity.

LOAD MANAGEMENT AND CONTROL PROGRAMS

Garkane offers Time-of-Use rates for municipal water pumping to encourage load shifting and peak clipping to minimize demand during peak periods.

LOW LOSS TRANSFORMERS

Garkane remains committed to minimizing system losses through its use of low loss transformers and conductor design standards. These transformers operate with approximately 35 percent fewer losses than standard transformers.

MOON LAKE

Moon Lake has a number of Customer Programs in place which address specific customer needs and or requirements as well as its own utility objectives. These programs generally include rates, appliance rebates, and distribution services and policies. Moon Lake encourages the use of ground-source heat pumps for residential and commercial heating and cooling. Information is provided to consumers. Most large commercial buildings and all schools in the area are constructed with ground-source heat pumps.

Moon Lake uses infrared thermography to inspect its substations, transmission and distribution lines, and distribution transformers. These services are also offered to industrial customers. This program allows for early detection and correction of poor electrical connections that waste energy and would eventually affect the reliability of the power grid.

Moon Lake has a number of distribution system programs in-place to improve both the individual consumer's and the overall system's efficiency. These programs include distribution system power analyses which consider changes in transformers and conductors, and line extension programs which encourage the use of electricity vs. competing fuels (i.e. propane or natural gas). All transformers are purchased on the basis of total ownership cost and that includes loss cost evaluation. Distribution transformers meet or exceed Energy Star ratings.

Moon Lake provides energy audits to residential and irrigation consumers at no charge. Audit recommendations are made to promote the efficient use of electricity. Moon Lake currently has an electric water heater rebate program. The rebate for the heat pump is

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based on the rating (tons) of the pump system and the water heater rebate is determined by the terms of the appliance's warranty. Moon Lake has a protective lighting replacement program where existing mercury vapor lighting is replaced with new high efficiency sodium vapor lighting. Use of compact fluorescent light bulbs is encouraged and these are given away at membership meetings.

A Member Newsletter is sent quarterly to keep consumers aware of programs through the Cooperative that will help them use and conserve energy wisely.

Programs that encourage use of renewable energy sources are available from Moon Lake. The Greenway program allows consumers to purchase power produced by wind generation through normal billing by paying a premium that is used to help producers with windmills. A Net Metering Program is offered to consumers desiring to develop their own energy conversion and storage systems from renewable resources such as wind, solar, biomass, water, and fuel cells. Interconnection of Distributed Generation with the distribution or transmission systems of Moon Lake will be controlled by Moon Lake. Information is available upon request.

Moon Lake offers T.O.U. rate options to its large consumer rate classes which offer alternative demand charges for the On-Peak and Off-Peak billing periods. As mentioned in previous sections of the IRP, due to the large industrial customers on the Moon Lake system, Moon Lake and Deseret have negotiated special contract rates with a number of industrial customers. These rates permit the consumer, Deseret and Moon Lake to each meet specific operational and financial objectives and requirements.

MT. WHEELER

Mt. Wheeler currently has in place Customer Programs which address individual consumer conservation and system-wide marketing.

Mt. Wheeler's conservation programs currently include the following:

ENERGY CONSERVATION LOAN PROGRAM

This program offers consumers the opportunity to among other things: add insulation; improve wiring; add more efficient windows and doors; upgrade their heating systems; and convert heating systems. The money is borrowed by the consumer for a term not to exceed five years. The interest rate is based on Mt. Wheeler's blended cost of money.

WEATHERIZATION PROGRAM

Mt. Wheeler in a partnership with Rural Nevada Development Corporation (RNDC) offers weatherization monies to leverage Department of Energy funding to provide a weatherization program to financially challenged members. This program can provide monies to improve insulation, windows, doors, as well as more efficient appliances and heating systems. The program was initiated in 2005, the program has assisted approximately 45 residential dwellings.

PUMP TESTING

Mt. Wheeler offers irrigation pump testing services, free of charge, to facilitate customers in maintaining efficient pump operation and minimizing energy consumption.

LOAD MANAGEMENT AND CONTROL PROGRAMS

Mt. Wheeler offers Time-of-Use rates for Irrigation, Commercial and Large Commercial consumers to encourage load shifting and peak clipping to minimize demand during peak periods. Consumers participating in this program are exempt from demand charges during off-peak periods.

During certain months irrigation consumers may participate in a demand minimization program by electing to limit the number of pumps they operate simultaneously. The consumer assists with peak clipping and realizes a reduction in demand charges.

Mt. Wheeler provides consultation and technical assistance to its Commercial consumers who elect to use demand controllers.

LOW LOSS TRANSFORMERS

Mt. Wheeler remains committed to minimizing system losses through its use of low loss transformers and conductor design standards. During the past three years Mt. Wheeler has purchased 125 low loss pad mount transformers for its system. These transformers operate with approximately 20 percent fewer losses than standard transformers.

REBATES

Mt. Wheeler offers a number of rebate programs ranging from “Energy Star” appliances to High Efficiency Air to Air Heat (\$60/ton for a 14 SEER unit to \$250/ton for a unit greater than 16 SEER) pumps and Ground Source HVAC systems (\$500/ton). Mt Wheeler offers a \$300 rebate for consumers installing hybrid hot water heaters. Rebates for Renewable Generation systems are also available for members who elect to participate in the cooperatives “Net Metering” Program.

INTRODUCTION

As discussed earlier in this report, Deseret serves Member load with a combination of coal-fired thermal resources, the Members' allocations of CRSP hydro-power and additional Member resources and purchase power contracts. As stated in the previous section, when considering the load and energy requirements available to the Members, Deseret and the Members currently have excess resources and are forecasted to have excesses throughout the study period.

Western's definition of an IRP process states,

Integrated Resource Planning - Means a planning process for new energy resources that evaluates the full range of alternatives, including new generating capacity , power purchases, energy conservation and efficiently, cogeneration and district heating and cooling applications, and renewable energy resources, in order to provide adequate and reliable serve to a customer's electric consumers at the customers or Members lowest system cost."

Western's definition clearly defines the IRP process in the context of evaluating new resources necessary to meet load or replace resources which are projected not to be available during the planning horizon. Since Deseret and its Members are currently projected to have excess generating resources throughout the study period, the focus of this IRP will to investigate options and develop an action plan that will permit Deseret and its Members to meet their end-use customer needs as well as the organizations' financial and load shape objectives.

Due to Deseret's excess resources, detailed analyses and evaluation of supply-side resources was not performed. Alternatively, a discussion of general opportunities, wholesale markets and Deseret marketing opportunities and activities is presented in the remainder of this section.

UTILITY OBJECTIVES

Deseret and the Members view the IRP process as both a resource planning tool and part of a more encompassing strategic planning process. Inherent to both resource planning and overall strategic planning is the identification of company goals and objectives. As such, the primary goals and objectives developed and selected by Deseret and the Members as part of the IRP process are shown below.

Broad Utility Objectives - These objectives deal with the areas of financial performance, relationships with customers, employees and regulatory agencies:

- retain load;
- retain and enhance competitive position;

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- provide customer valued services;
- encourage load growth; and
- mitigate financial risk associated with loss of loads through high costs or the advent of retail competition.
- satisfy regulatory requirements;

Operational Objectives - These objectives deal with the operation of the utilities:

- increase the efficiency of thermal resources;
- maintain high system load factors; and
- satisfy regulatory requirements.

Based on these utility objectives, Deseret and the Members primary load shape objectives were identified as:

- strategic load growth; and
- valley filling.

Secondary load shape objectives have been identified as:

- load shifting; and
- peak clipping.

FUTURE OPPORTUNITIES

Deseret and the Members existing resource portfolio is dominated by the two coal-fired units Bonanza I and Hunter II. Additionally, the Members have entitlement rights to another coal-fired resource, the Intermountain Power Project. The entitlement rights to this capacity have been "laid off" long-term to other entities. However, the "laid off" entitlement rights may be recalled with no more than two years advanced notice. The existing thermal resources are used as baseload resources.

The Members allocation of CRSP hydro-power is a combination of both a baseload resource and a peaking type resource. CRSP power has a minimum take associated with the allocations (baseload), a maximum capacity allocation and a maximum monthly allocation of energy.

While Deseret does not require additional resource during the IRP UPDATE study period to meet its existing loads, it nevertheless is prepared to construct and place into service new coal fueled resource capable of base load operation. The existing fuel supply infrastructure, common facilities and transmission for the Bonanza site are adequate to support the installation of up to 100 MW of new resource capacity at the site, from which Deseret would be entitled to approximately 16 MW of capacity and energy. Deseret has substantially completed the feasibility analysis, site studies and preliminary engineering necessary for this resource addition and could commence operation of such a resource within 3 to 4 years of initiating a project.

Deseret currently markets capacity and energy excesses in order to better meet financial objectives and improve the overall efficiency and operation of the resources. While Deseret strives to fully utilize its excess thermal resources through short and long term

sales, it maintains access to sufficient portions of its excess resource to meet Member future load growth.

Future opportunities for Desert and its Members to improve their operational, financial and competitive positions may include the following:

- Continue to actively market resources surpluses through the marketing partnerships and through additional marketing endeavors.
- Selling ownership interest to all or a portion of the thermal generating units.

Evaluation of these options or any other alternatives identified in the future may require the use of detailed analytical models that would consider both the operational and financial impacts of the alternatives. These analytical methods may require the use of tools including but not limited to detailed production costs models, spreadsheet analyses and market price assessments.

WHOLESALE POWER MARKET

Although the evaluation of future resource options is not necessary in the context of meeting projected load and energy requirements of the Members, Deseret and the Members have identified the importance of the wholesale power markets to the financial health of the organizations, their competitive strength and the ultimate cost to their end-consumers.

MARKET ASSESSMENT

An understanding of the wholesale power market is important to Deseret and its Members to both predict the revenue stream from sales of excess capacity and energy as well as to compare wholesale market purchases to other resource options (both supply-side and demand-side) as part of the IRP.

Deseret and its Members have conducted assessments of the bulk wholesale power markets in order to project operating and financial results of the organizations and to assess their competitive position. These projections were used to help develop a plan which would permit Deseret and its Members to remain viable organizations, and enhance the competitive position of the end-use Members (customers) through retail rates.

Market assessment activities have been focused on two main areas: detailed analytical modeling of multi-area transactions; and real-time interactions with other market participants.

The results of Deseret's market assessment findings can be summarized as follows:

- Natural gas pricing reflects heavily on wholesale electric pricing during the study period. The wholesale market available to Deseret for firm hub energy should remain below 58 mills/kWh during most of the study period. (Assumes 2011 \$, 100 percent L.F., CO2 costs not initiated during the study period.)
- Short-term and spot market prices will continue to show seasonal variability.

SECTION 6

- The wholesale power market in the WECC is significantly impacted by the price of natural gas, availability of hydro-power (Bonneville Power Authority) and expansion of renewable resources.
- The WECC is projected to have excess capacity through the majority of Deseret's IRP planning horizon.
- Abundant quantities of and relatively low prices for natural gas in the WECC will mitigate future wholesale power prices, although the high correlation with gas prices will result in continued volatility in electric markets.

RESOURCE MARKETING

As mentioned above, Deseret actively markets with its own staff and through marketing partnerships to maximize the use and efficiency of its thermal resources..

Deseret's marketing efforts and programs cover a wide spectrum and currently include, but are not limited to, the following:

- A Vice President of Marketing position and supporting staff responsible for wholesale power marketing;
- Customer focused programs (often energy efficiency or DSM programs) which address customer needs or concerns;
- The use of alternative retail rate structures;
- The use of a product recognition campaign or product "branding"; and
- Incentive retail rates.

Deseret's marketing activities and the Members customer focused programs consider the system profile which includes system load factors and operational constraints. An important characteristic of Deseret's Member system is its high annual load factor which is often in the 75 percent to 80 percent range. This unique characteristic has an impact on how Deseret's excess resources can be marketed and what customer programs, including DSM measures, are considered.

It is anticipated that future customer programs, including energy efficiency, options will continue to be an important part of the Members resource base, marketing and customer satisfaction.

INTRODUCTION

The IRP UPDATE process, included a review of base supply-side resource plan included in the IRP and the conclusion that said plan remained valid and would be retained in the IRP UPDATE. The base supply-side plan represents a realistic baseline course of action for Deseret and its Members against which other future options can be measured.

DEVELOPMENT OF THE BASE SUPPLY-SIDE RESOURCE PLAN

Deseret and the Members do not foresee the need for any new or additional capacity over the IRP planning horizon. The current IRP study period is through the year 2018 or approximately 7 years. The seven year planning horizon was chosen primarily due to the nature of the Members loads and specific knowledge of end-use customer requirements through this period. Although many utilities conduct load forecasts and planning studies which cover longer periods of time, Deseret and the Members chose a 7 year study period based on the following:

- Specific estimates of large commercial (industrial) end-use customers requirements over this period of time.
- Current estimates of a loss of large commercial load during the study period.
- Continued projections of generating excesses beyond the detailed forecast period.
- The general lack of accuracy of projections which extend beyond five years.

SCREENING OF SUPPLY-SIDE RESOURCES

Since no new or replacement resources are currently projected to be required over the planning horizon, screening of supply-side resources has been limited to:

- Projections of average production costs from the existing resources
- Projections of average wholesale power market rates (for sale and purchase opportunities).
- Projections and discussions of average power costs of "replacement" supply-side resources.

The results of Deserets' screening analysis illustrate that Deseret and the Members most practical least-cost supply-side option is to continue to utilize the existing resources to meet load and energy requirements.

ENVIRONMENTAL

The IRP previously submitted by Deseret and its Members addressed the environmental areas requiring consideration and their impacts on proposed resource alternatives. The environmental issues of Deseret's two thermal resources were also discussed. Because the IRP UPDATE continues to demonstrate that Deseret and its Members have resource substantially in excess of that required to serve its loads and that no new resources are required, the IRP UPDATE will address Approval Order changes and emission limit compliance since the IRP.

Bonanza 1 is operated under a PSD Operating Permit Approval Order issued by the United States Environmental Protection Agency ("USEPA") on February 2, 2001. Previously the unit operated under an Approval Order issued jointly by the State of Utah, Department of Air Quality and the USEPA. This change in jurisdiction occurred as a result of the courts recognizing an expanded boundary of "Indian Country" which includes Bonanza 1. Emission limitations remain the same as under the prior Approval Order, with the exception of NO_x emission limitations. Deseret elected to participate in an early NO_x reduction program which commenced in 1998 and reduced its NO_x emission limitation to 0.50 lbs/MMBtu. This emission limitation reduction was incorporated into the current Operating Permit. Bonanza 1 has operated in compliance with the requirements in its Operating Permit during the period since the IRP was submitted. Sufficient SO₂ emission allowances are available to allow Bonanza 1 to operate at a 100% capacity factor during the study period.

Hunter II operates under a Title V Operating Permit issued by the State of Utah, Department of Air Quality, dated January 7, 1998.

Intermountain Power Project Units 1 & 2 operate under a Title V Operating Permit issued by the State of Utah, Department of Air Quality, dated May 9, 2008.

SECTION 8

DEMAND-SIDE MANAGEMENT SCREENING ANALYSIS

OVERVIEW

Generally in an IRP UPDATE process, the approach used to identify and screen demand-side management options involves the following major steps:

- Situation analysis and objective setting.
- Qualitative screening of DSM technologies.
- Characterization of DSM technologies.
- Preliminary economic screening of DSM technologies.
- Development of programs.
- Detailed cost effectiveness analysis of programs.

Deseret and its Members are projected to be excess in capacity and energy resources throughout the study period. The primary focus of resource evaluation as part of this IRP UPDATE is to generally describe future resource options available to the Members which may be investigated further as needed.

SITUATION ANALYSIS AND OBJECTIVE SETTING

The situational analysis and objective setting is an initial identification of strengths, weaknesses, opportunities, and threats impacting demand-side planning for Deseret and the Members. These elements help in identifying appropriate evaluation criteria and technology options which are reasonable and relevant given Deseret's situation.

IDENTIFICATION OF DSM OBJECTIVES

The primary goals and objectives as developed and selected by Deseret and the Members are shown below.

- Broad Utility Objectives - These objectives deal with the areas of financial performance, relationships with customers, employees and regulatory agencies:
 - retain load;
 - retain and enhance competitive position;
 - provide customer valued services;
 - encourage load growth; and
 - mitigate financial risk associated with loss of loads through high costs or the advent of retail competition.
- Operational Objectives - These objectives deal with the operation of the utilities:

SECTION 8

- satisfy regulatory requirements;
- increase the efficiency of thermal resources; and
- maintain high system load factors.

Based on these utility objectives, Deseret and the Members primary load shape objectives were identified as:

- strategic load growth; and
- valley filling.

Secondary load shape objectives have been identified as:

- load shifting; and
- peak clipping.

As mentioned in the Customer Programs section, Deseret Members have historically and continue to provide a number of programs which meet these same objectives.

The load shape objectives were identified as possible approaches to supporting both the broad utility and operational objectives. These strategies could potentially result in:

- lower Member power supply costs;
- lower end-use consumer bills; and
- increased revenue from the marketing of thermal excesses.

DEVELOPMENT OF DSM OPTION SCREENING CRITERIA

For the purposes of Deserets' DSM planning process, the retail customers of the Members were assumed to be retail customers of Deseret. Since DSM programs are implemented by retail customers, this assumption is necessary to evaluate DSM technologies from Deserets' perspective.

Deseret's DSM objectives were translated into load shape strategies and a set of qualitative criteria was determined to assist in the selection of a subset of DSM technologies to be considered. The screening criteria developed were as follows:

- **Customer Acceptance** - This criteria is an assessment of how likely it would be that the customer would choose to install the option. Equipment that reduces the quality of energy-service, equipment that is very difficult to install, or equipment that interferes with important processes would score very low for this criteria.
- **Utility Match** - This criteria is an assessment of how well an option matches the make-up of the Deseret service area. Equipment that is inappropriate for the utility's climate, or customer base is scored very low for this criterion. Also, equipment that already has achieved full saturation in a utility's service territory would receive a low score.
- **Technology Maturity** - This criteria assesses the option's maturity in the market. For example, if an option is not commercially available in the utility's service territory, it is given a very low score.

- **Load Shape** - This criteria assesses how well the DSM option accomplishes the load shape strategies chosen by the utility.
- **Utility Acceptance** - This criteria assesses issues such as the level of administration, the complexity of the option, the revenue impacts, etc.

DEVELOPMENT OF SYSTEM PROFILE

The original IRP included a system profile using the “base supply plan” against which potential DSM options and programs were compared. Western’s software tool, the Resource Planning Guide (RPG) and custom spreadsheet computer models were used for this comparison. RPG® is a planning tool developed by Western to make the IRP process easier to understand and is geared towards small public utilities, irrigation districts, and federal agencies.

The RPG® model was designed with the intention of defining each step of the IRP process while providing reference data and methods to carry out the process.

The primary goal in using the RPG® model is to provide a reasonable screening platform for both supply-side and demand-side resources. When a reasonable number of options have been identified, additional techniques can be used to further evaluate those options.

IDENTIFICATION OF DSM OPTIONS

For the purposes of this study, several sources were reviewed to develop a list of potential DSM options. Sources included the RPG program reference data, Member historical program data, the Federal Register 40 CFR Subpart F, Appendix A to the 1992 Energy Policy Act.

QUALITATIVE SCREENING OF DSM TECHNOLOGIES

The qualitative screening of DSM technologies is performed in order to: 1) review the complete list of identified DSM technologies; 2) identify any specific factors that limit the applicability of a technology to the utility; and 3) eliminate the technologies that are inappropriate for the goals and objectives of the utility.

The DSM technologies were first subjected to a qualitative screening process through the use of the RPG program.

Next, after discussions with Deseret and Member staff, certain technologies were removed or weighting factors in the RPG program were adjusted to account for programs with limited market segment applicability or technologies with impacts and costs that could not be readily quantified. Although some adjustments were made, the RPG program was permitted to do the screening based mostly on reference data. The RPG program identified applicable residential, commercial, industrial and agricultural programs to be used for further evaluation.

PRELIMINARY ECONOMIC SCREENING OF DSM TECHNOLOGIES

The preliminary economic screening is the second analysis in the overall screening process used to identify applicable DSM technologies. At this stage, the cost-effectiveness of individual DSM technologies is determined. The preliminary economic screening was performed through the use of the RPG program and viewed cost-effectiveness from the TRC perspective. The TRC test takes a relatively broad perspective by encompassing the utility and its ratepayers. Programs passing the test result in lower total energy service costs within the utility's service territory, although this test does not consider the distribution of costs and savings among different groups of customers, or the impact on per unit costs (rates).

According to Western requirements (60 FR 5415), comments were received that Western should require customers to use the TRC test to screen DSM technologies. However, Western does not mandate the use of a particular test to screen resources. The TRC perspective is used at this stage in the analysis since it is the most liberal of the five standard practice perspectives and will not unnecessarily eliminate measures at this stage of the process.

DESCRIPTION OF SCREENING

In the preliminary economic screening, the selected DSM technologies were compared to Deseret's base plan system profile to determine the benefits and costs derived from each individual technology. The benefits and costs used in the TRC perspective include the avoided energy and capacity costs and the incremental investment cost of the DSM technology.

The cost-effectiveness results provide information about the available savings that can be used to administer and promote each program. In general, technologies with large savings justify relatively aggressive delivery mechanisms (higher administrative costs, promotional costs and/or rebates), while programs with marginal savings justify only small program expenses.

SCREENING RESULTS

Using the DSM program characteristics and the Deseret system profile, residential, agricultural, commercial and industrial DSM technologies were screened using the RPG® program.

Due to the identified load shape objectives, the project surpluses and costs from existing resources and the specific DSM programs, many of the programs evaluated do not have a benefit cost ratio which can be calculated through the RPG program.

TECHNICAL POTENTIAL ANALYSIS

Due to high percentage of sales from specific industrial customers and the Member's intimate understanding of potential technology applicability, many generically identified DSM programs were eliminated while a few additional programs were added for consideration.

SCREENING RECOMMENDATIONS

Based on the results of the original IRP evaluation of the RPG program and discussions with Deseret and the Members staff, the following programs continue to be recommended for consideration in a theoretical integration analysis of the IRP Update:

- Residential - security, lighting, add-on heat pumps, ceramic heat storage, dual heat source, electric fireplaces, water heater controls, high efficiency water heaters (including wraps), ground source heat pumps.
- Commercial - commercial security lighting, commercial cool storage, heat storage systems, ground source heat pumps, time of use rates.
- Agricultural - outdoor lighting, computer controlled irrigation.
- Industrial - resistance heating, infrared drying and curing, battery storage systems, flexible manufacturing, time of use rates.

Additionally, although an initial screening and a situational analysis were performed, it was determined after the fact that the DSM technologies identified may not represent the best choice for implementation due to customer acceptance, market penetration and market applicability. Since no DSM technologies were identified as currently being significantly cost effective, no further evaluation was conducted. Future updates to the IRP will re-examine appropriate DSM technologies based on new technology, customer acceptance or desires and refined cost and market applicability.

SECTION 9

INTEGRATION ANALYSIS

The next step in the IRP UPDATE process is the integration of the load forecast, the base supply plan, and the results of the DSM screening into an overall integrated analysis of Deseret's system. The results of this analyses is the foundation of the recommended IRP UPDATE plan.

INTEGRATION ANALYSIS RESULTS

The alternative future plans were compared for the base supply plan and for the integrated resource plan.

The integrated resource plan produced an identical plan to the one produced for the base plan. The base supply plan was identified as the least-cost option for the near term.

CONCLUSIONS

Given the current situation of generating excesses, Deseret will consider the base plan (which currently includes a significant number of customer focused programs) rather than the integrated plan as the measure of comparison against which future resource decisions are judged. Deseret and the Members will closely monitor their situation and retail customer needs and should continually evaluate customer focus programs (including DSM) and seriously consider the potential for new or additional practical programs in the future.

SECTION 10

COMPETITIVE EVALUATION

CUSTOMER SURVEYS

Deseret and its Members should continue conducting customer surveys in order to identify current customer needs and concerns. Future resource decisions and action plans may be heavily influenced by these customer needs and concerns. The results of the survey should be used to develop action plans as part of future updates to the IRP.

RETAIL RATE STUDY

Deseret and its Members conduct retail rate studies periodically to assess their competitive positions. Rate studies will help gauge the competitiveness of their utility, put retail rates in line with costs and objectives and help outline strategies to address future operational, financial, and competitive objectives.

IRP IMPLEMENTATION AND ACTION PLAN

RECOMMENDED IMPLEMENTATION PLAN

As a result of the IRP process both short-term and long-term action plans have been developed:

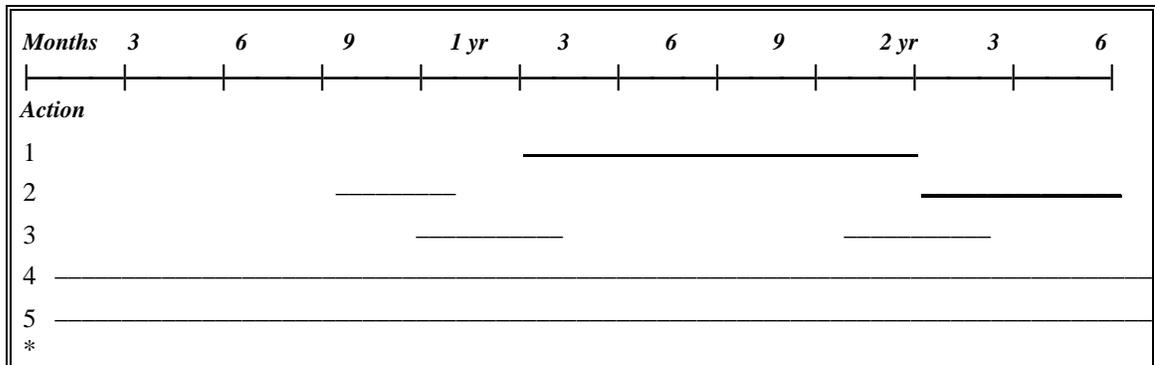
SHORT-TERM ACTION PLAN (1-2 YEARS)

1. Deseret’s Members should periodically update retail rate studies. Rate studies will help gauge the competitiveness of the utility, put retail rates in line with costs and objectives and help outline strategies to address future operational, financial, and competitive objectives.
2. Deseret’s Members should consider updating customer surveys in order to identify current customer needs and concerns. Future resource decisions and action plans may be heavily influenced by these customer needs and concerns. The results of the survey should be used to develop action plans as part of future updates to the IRP.
3. Deseret and the Members should complete periodic IRP progress reports which include updates and progress on the items discussed or reviewed in this IRP. Results should be compared with the results shown in the base case supply plan.
4. Deseret and the Members should continue to actively market generation excesses through its marketing department and its Marketing Partnerships.
5. Deseret and the Members should continue to closely monitor the activities and operations of the large industrial customers in order to most accurately plan for future load requirements and financial obligations.

SHORT-TERM MILESTONES

The following timeline is recommended for the above action items.

Figure 11-1



LONG-TERM (5 YEARS AND BEYOND)

- Deseret should update the IRP periodically to include changes in:
 - Load projections
 - Power market conditions
 - Cost projections
 - DSM and Customer program results
- Deseret should also re-evaluate power supply alternatives periodically to coincide with the timing of additional resource needs, due to additional load growth or anticipated changes in existing supply resources.

SECTION 12
IRP PUBLIC PROCESS DOCUMENTS

RESOLUTION OF THE BOARD OF TRUSTEES OF
DESERET GENERATION & TRANSMISSION CO-OPERATIVE
APPROVING AN INTEGRATION RESOURCE PLAN UPDATE
FOR SUBMISSION TO WESTERN AREA POWER ADMINISTRATION

WHEREAS: The Energy Policy Act of 1992, which was signed into law on October 24, 1992, requires each customer purchasing firm capacity with or without energy from the Western Area Power Administration (Western) under a long term power service contract to prepare, submit and implement an Integrated Resource Plan (IRP) and to periodically update the IRP; and,

WHEREAS: Deseret and its Members have prepared an IRP Update, a copy of which has been presented and explained to the Board of Trustees.

NOW THEREFORE BE IT RESOLVED:

1. That the proposed IRP Update as presented and explained to the Board at this meeting is hereby approved.
2. The Chairman and President, are hereby authorized and directed to submit to Western a final IRP Update which shall be substantially similar in content to the copy presented to the Board of Trustees.

CERTIFICATE

I, Mark Anderson, Secretary of the Board of Trustees of Deseret Generation & Transmission Co-operative do hereby certify that the foregoing Resolution was duly and legally adopted at a meeting of the Board of Trustees held on October 18, 2012.



Mark Anderson, Secretary

(Seal)

Bridger Valley Electric Association, Inc.
935th Regular Meeting

Tuesday, Oct. 9, 2012 – Deseret Power Corporate Office, South Jordan, Utah. 6:00 p.m.

Those present: President Kim Charles, Vice President Gary Nix, Secretary/Treasurer Jud Redden, Directors Jon Wilde, Rick Maxfield, Ruth Rees and Betty Applequist; Patrick Corun, Justin Sweep and Assistant Secretary Naomi Stone.

1. The board met in executive session briefly before the meeting began at 6:15 p.m. President Charles called the meeting to order and the agenda was approved upon a motion duly made and seconded.
2. The minutes of the September 7, 2012 board meeting were reviewed. The board approved the minutes as written upon a motion duly made and seconded.
- 3.
- 4.
- 5.
6. This is the year that the board must approve the Integrated Resource Plan. A public meeting to discuss the plan was advertised and held on Thursday, October 4, 2012. No one appeared at the meeting. Upon a motion duly made and seconded the board approved the updated Integrated Resource Plan.
7. Mr. Corun gave the Safety Report for September. Upon a motion duly made and seconded, the report was accepted. (A copy of the report is attached and made a part of these minutes.)

AFFIDAVIT OF PUBLICATION

Bridger Valley Pioneer
Lyman, Wyoming

STATE OF WYOMING
) ss.
County of Uinta

NOTICE OF PUBLIC MEETING
On October 4, 2012, from 10:00AM to 11:00AM Bridger Valley Electric will hold a Public Meeting in the board room at the main office located at 40014 I-80 Business Loop, Mountain View, Wyoming for the review and consideration of public comments on the proposed 2012 Update to the 1995 Integrated Resource Plan (IRP). The IRP is a required study designed to ensure that the members of Bridger Valley Electric enjoy adequate, reliable and least cost power supply for all future electrical loads.
PUBLISH: Sept. 21, 28, 2012 **12241**

I, Michael Jensen, do solemnly swear that I am the publisher of the Bridger Valley Pioneer, a weekly paper of general circulation, published once a week at Lyman, Uinta County, Wyoming; that the notice attached hereto, and which is part of the affidavit, was published in said newspaper for 2 insertions, the first publication having been made on the 21 day of September A.D., 2012, and the last publication on the 28 day of September A.D., 2012; that said notice was published in a regular and entire issue of the paper(s) in which it was published; and that said notice was published in the newspaper proper, and not in a supplement.


Michael Jensen, Publisher

State of Wyoming
County of Uinta

Subscribed in my presence and sworn to before me on this 28 day of September A.D., 2012, by Michael Jensen, Publisher.


(Signature of Notarial Officer)

My commission expires: _____



Minutes
Dixie Escalante REA Inc
Board of Directors' Meeting
10/3/2012

Colin Jack, Chief Operating Officer, reported on the Deseret Integrated Resource Plan (IRP) that is updated every five years as a requirement from WAPA. A public meeting will be held on Oct 17th at 12:00 pm at the Dixie office. A motion was duly made and seconded to approve the IRP as presented. The Board voted and the motion passed.

Mike Brown, President
Robyn Serage, Secretary

FLOWELL ELECTRIC ASSOCIATION, INC,
BOARD MEETING MINUTES
From the meeting held Monday October 8th, 2012

Present were: Delyle Carling, Kent Swallow, Neil Ashton, Kelby Swallow, and Mark Wardle. Also present was Durand Robison, General Manager. Sheri Hunter, Flowell Employee, and Bryan Lundin, newly hired lineman joined the meeting in progress.

An Invocation was given by Kent Swallow.

The General Manager presented the purchased power report. August was a big month for us. We have had more in sales this year than last year. Durand gave a power point presentation on the financial report for the company. He is asking the Board to think about Capital Credit Rotation/Rebates to customers in the future. We will table the discussion for future meetings to see where the end of year takes us. Motion to approve the financial report by Kent, 2nd by Mark W., Motion carried.

Joining us in the meeting was Bryan Lundin, the new lineman from Dixie that transferred here. He introduced himself and told a little about himself and his family.

The Manager presented to the board the Integrated Resource Plan that has been prepared in conjunction with Deseret Power and its members. Following the presentation and a discussion of it, a motion approving the updated plan, and instructing the manager to hold a public information meeting on Monday, October 15, 2012, was made by Kelby, seconded by Neil, Motion carried.

The Manager presented the Operations Report. He reported on various projects being worked on by the crew.

Durand presented a service contract agreement for Kanosh Town. After discussion from the board a motion to approve was made by Kent, 2nd by Mark W.

The Manager presented the Board with a booklet on Policies to review in the next month and bring back to review at next meeting.

The Deseret Report was given by the Manager. Last month the plant had a complication with a leak in a storage tank and had to take an outage, but was fixed. Deseret would also like anyone who could to send an email about coal q leases on BLM ground.

The DERE report was given by Pres. Carling. He informed us that Dixie will be changing their logo. They are going from Dixie Escalante Rural Electric Association to just Dixie Power.

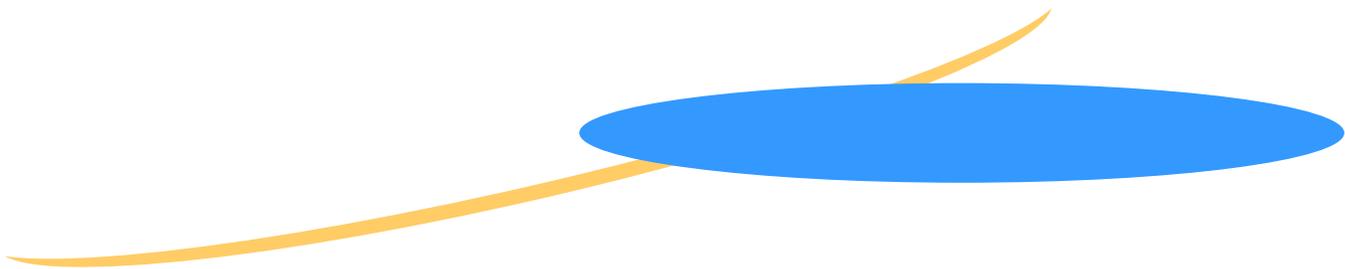
There was no UREA report.

Board meeting in November will be changed to Monday, November 5th.

There being no further business, the meeting was adjourned.

Signed _____

Attest _____



Public Information Meeting

For all members of Flowell Electric Association

Integrated Resource Plan

October 15, 2012

10:00 a.m.

At the Flowell Electric Building

Board Room



RESOLUTION OF THE BOARD OF DIRECTORS OF

GARKANE ENERGY COOPERATIVE, INC.

APPROVING AN INTEGRATION RESOURCE PLAN UPDATE
FOR SUBMISSION TO WESTERN AREA POWER ADMINISTRATION

WHEREAS: The Energy Policy Act of 1992, which was signed into law on October 24, 1992, requires each customer purchasing firm capacity with or without energy from the Western Area Power Administration (Western) under a long term power service contract to prepare, submit and implement an Integrated Resource Plan (IRP) and to periodically update the IRP; and,

WHEREAS: Deseret and its members have prepared an IRP Update, a copy of which has been presented and explained to the Board of Directors, and a public hearing was held on September 24, 2012 for Garkane's customers and interested parties.

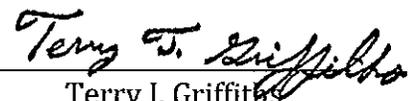
NOW, THEREFORE, BE IT RESOLVED:

1. That the proposed IRP Update as presented and explained to the Board at this meeting is hereby approved.
2. The President and Secretary are hereby authorized and directed to submit to Western a final IRP Update which shall be substantially similar in content to the copy presented to the Board of Directors.

CERTIFICATE

I, Terry J. Griffiths, Secretary of the Board of Directors of Garkane Energy Cooperative, Inc. do hereby certify that the foregoing Resolution was duly and legally adopted at a meeting of the Board of Directors held September 24, 2012.




Terry J. Griffiths
Secretary

EXCERPT

**Minutes of a Regular Meeting of the Board of Directors
MOON LAKE ELECTRIC ASSOCIATION, INC.**

Roosevelt, Utah

October 3, 2012

10:00 a.m.

A Public Hearing regarding adoption of the proposed Integrated Resource Plan for Moon Lake Electric was held at 9:30 a.m. Public notice was previously published in area newspapers notifying members of the planned hearing. There were no members in attendance except for Moon Lake Electric employees and Board members.

Ken Winder explained the elements of the Integrated Resource Plan to Board members and, following discussion, the Plan was approved as proposed, subject to the Board hearing a report on any written comments that are received by October 11, 2012. The motion to approve the Plan was duly made and seconded, and the motion carried.

I, Diana Rasmussen, Manager-Personnel & Member Relations for Moon Lake Electric, do swear that the above Excerpt from the Moon Lake Electric Association, Inc., Minutes dated October 3, 2012, is true and exact, and was approved at the Meeting of the Board held October 3, 2012, where a quorum of members was present.



Diana Rasmussen
Manager-Personnel & Member Relations
Moon Lake Electric Association, Inc.

MT. WHEELER POWER, INC.
P.O. BOX 151000
ELY, NEVADA 89315

October 16, 2012
Public Notice Minutes

This was a properly noticed Public Meeting of the Board of Directors held on Tuesday, October 16, 2012 at 8:00 a.m., in the Cooperative's Office in Ely, Nevada.

Present Directors

Jerald Anderson, President
Don Phillips, Vice-President
Wilma Sanford, Secretary
Sandy Green, Treasurer
Bob Swetich, Director
Frank Leon, Director
Ron Miller, Director
Jerry Morrill, Director
Rick Hendrix, Director

James Copenhaver, Attorney
Randy Ewell, General Manager/CEO
Kaysie Ewell, Recording Secretary

Present Staff

Kevin Robison, Member Services Manager
Bill Ricci, Operations Manager

Guests Present

None

MT. WHEELER POWER, INC.
October 16, 2012
Public Notice Minutes

This was a properly noticed Public Meeting of the Board of Directors held on Tuesday, October 16, 2012 at 9:00 a.m. in the Cooperative's Office in Ely, Nevada.

I. CALL TO ORDER

President Anderson called the meeting to order at 9:12 a.m.

II. REVIEW OF SUBMITTED IRP

President Anderson reviewed the IRP documents. Discussion was held.

III. MEMBER COMMENTS RELATED TO THE IRP

No members present for comment.

IV. ADJOURNMENT

President Anderson adjourned the meeting at 10:52 a.m.

CERTIFICATION

I, **Jerald Anderson**, President of the Board of Directors of Mt. Wheeler Power, Inc., Ely, Nevada do hereby certify that the foregoing is a true and correct copy of the Minutes of a Public Notice of the Board of Directors held in the Cooperative's office in Ely, Nevada at 9:00 a.m., October 16, 2012.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the Corporation to be affixed hereto, this _____ day of _____, 2012.

JERALD ANDERSON, President

(SEAL)

MT. WHEELER POWER, INC.
P.O. BOX 151000
ELY, NEVADA 89315
October 16, 2012,
BOARD MINUTES

This was a properly noticed regular meeting of the Board of Directors held on Tuesday, October 16, 2012, at 9:00 a.m., in the Cooperative's Office in Ely, Nevada.

Present Directors

Jerald Anderson, President
Don Phillips, Vice-President
Sandy Green, Treasurer
Bob Swetich, Director
Frank Leon, Director
Ron Miller, Director
Jerry Morrill, Director
Rick Hendrix, Director
Wilma Sanford, Secretary

James Copenhaver, Attorney
Randy Ewell, General Manager/CEO
Kaysie Ewell, Recording Secretary

Present Staff

Jesse Murdock, Engineering Manager
Kevin Robison, Member Services Manager
Bill Ricci, Operations Manager

Absent

Guests Present

Dean Baker

MT. WHEELER POWER, INC.
October 16, 2012
BOARD MINUTES

This was a properly noticed regular meeting of the Board of Directors held on Tuesday, October 16, 2012 at 9:00 a.m. in the Cooperative's Office in Ely, Nevada.

I. CALL TO ORDER

President Anderson called the meeting to order at 9:03 a.m.

II. ROLL CALL OF DIRECTORS AND LISTING OF MEMBERS AND GUESTS PRESENT

Secretary Sanford noted those Directors and staff in attendance.

III. INVOCATION

General Manager/CEO Ewell offered the invocation.

IV. AGENDA: Additions, Deletions, Approval of Agenda and Setting Time of Adjournment.

MOTION Director Leon moved to approve the agenda and set an adjournment time of 3:30 p.m. Seconded by Director Miller. Carried.

V. MEMBER COMMENTS

Dean Baker presented a slideshow presentation.

VI. EXECUTIVE SESSION

Held later

***A. Litigation Matters and Attorney Report**

None

October 16, 2012

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H. Approval of WAPA Integrated Resource Plan

President Anderson presented the WAPA Integrated Resource plan with a spreadsheet.

MOTION Vice President Phillips moved to approve the WAPA Integrated Resource Plan. Seconded by Director Leon. Carried

IX. CONSENT AGENDA

***A. Deceased Patron's Capital Credits**

None.

***B. Unclaimed Patronage Funding Requests**

***C. Financials**

Discussion held concerning work orders, CFC patronage as well as equipment.

Trish Stanton, Accountant presented the August 2012 financials. She discussed variances and budgeted verses actual.

MOTION Director Morrill moved to receive the August 2012 financials as presented. Seconded by Director Hendrix. Carried.

***D. Travel Approvals**

None.

***E. Set Next Meeting and/or Committee Meeting**

The next regular meeting is scheduled for November 6, 2012 and the budget meeting is scheduled for November 20, 2012 both at 9:00 a.m. in the Cooperative's main office.

CERTIFICATION

I, **WILMA SANFORD**, Secretary of the Board of Directors of Mt. Wheeler Power, Inc., Ely, Nevada do hereby certify that the foregoing is a true and correct copy of the Minutes of a Regular meeting of the Board of Directors held in the Cooperative's Office in Ely, Nevada. 9:00 a.m., October 16, 2012.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the Corporation to be affixed hereto, this _____ day of _____, 2012.

WILMA SANFORD, Secretary

(SEAL)