

Appendix 9.1(a)(x)
Form of Energy Exchange Agreement

**SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER
DISTRICT – LOS ANGELES DEPARTMENT OF WATER AND POWER
ENERGY EXCHANGE AGREEMENT**

This Energy Exchange Agreement (this “Agreement”) is entered into this ___ day of ____, 201_ (“Execution Date”), between Los Angeles Department of Water and Power (“Los Angeles” or “LADWP”) and Salt River Project Agricultural Improvement and Power District (“SRP”) and (each individually a “Party” and collectively the “Parties”) regarding the exchange of electric energy. All times or hours specified in this Agreement shall refer to Pacific Prevailing Time (“PPT”) unless expressly provided otherwise.

Contingent Nature

of Effective Date: This Agreement, while executed by the Parties on the Execution Date, shall not become effective unless and until that certain Firm Entitlement Agreement (the “Entitlement Agreement”) between the Parties is terminated by either Party pursuant to Section 6.5 of the Entitlement Agreement. In the event of such a termination this Agreement shall become effective as of the date of that termination (the “Effective Date”). Notwithstanding the foregoing, the Parties hereunder are both “non-public utilities” under the Federal Power Act and waive no rights with respect to the lack of FERC jurisdiction over this Agreement to the extent that this Agreement is the subject of any proceedings under the Federal Power Act or before FERC.

Regulatory:

If the arrangements provided for by this Agreement are not permitted pursuant to law or applicable court or administrative order, then the Parties agree to exercise commercially reasonable efforts to develop alternative arrangements that would, to the extent practicable, put the Parties in the same economic positions as contemplated by this Agreement, including without limitation retroactively adjusting the purchase price for the sale of the Navajo Generating Station (“NGS”) assets pursuant to that certain Asset Purchase and Sale Agreement between the Parties (“APSA”) so as to result in no economic increase to SRP over the costs it would have incurred pursuant to this Agreement. In the event of the

termination of this Agreement, the terms and conditions of this Agreement shall have no relevance with respect to the interpretation of the terms and conditions of the Navajo Project Co-Tenancy Agreement, as amended (the "Co-Tenancy Agreement").

SRP: Salt River Project Agricultural Improvement and Power District
Senior Director, Supply and Trading – ISB 250
Physical Address: 2727 E. Washington St., Phoenix, AZ 85034-1403
Mailing Address: P.O. Box 52025, Phoenix, AZ 85072-2025

LADWP: Los Angeles Department of Water and Power
111 N. Hope Street, Room 921
Los Angeles, CA 90012-5701
Attn: Director of Fuel and Purchased Power
Phone: (213) 367-0286
Fax: (213) 367-0313, 367-0212

Type of Service: Energy exchange ("Exchange") where SRP provides LADWP electrical energy at the delivery location noted below and LADWP provides an equivalent amount of energy at up to two delivery locations noted below, as specified by SRP in the Delivery Schedule.

Term: From the Effective Date through December 22, 2019.

Quantity: The maximum quantity will be 350 MW

Delivery Schedule: Monday through Sunday, including NERC Holidays: HE1 through HE24, PPT. SRP will provide the Delivery Schedule to LADWP by 1000 PPT the preceding day.

Exchange Contingencies: Exchange energy to be delivered by SRP may be interrupted or curtailed by SRP when the amount of energy available to SRP from NGS is reduced by up to the scheduled Quantity. Exchange energy deliveries by a LADWP may be interrupted or curtailed by LADWP due to the unavailability of transmission capacity necessary for the delivery of Exchange energy, without regard to LADWP's other transmission obligations to itself or other parties.

Point of Delivery by SRP: NGS 500 kV switchyard

Points of Delivery by LADWP: Up to 350 MW at McCullough 500 kV switchyard.

Exchange Price: The costs to SRP for the Exchange shall include the amounts described below:

McCullough Exchange Costs:

- A. For the Term of this Agreement, except as noted below with respect to capital costs, SRP will reimburse LADWP for a proportionate 35.8% share of the following costs that are billed to LADWP for: (i) the Navajo-Crystal 500 kV Line; (ii) Crystal-McCullough 500 kV Line; (iii) Navajo-Crystal Line Compensation (Navajo end), (iv) Crystal-McCullough Line Compensation (McCullough end), and (v) Western Transmission Communications pursuant to the operation and maintenance agreements governing these transmission systems: actual operation and maintenance costs, and actual land lease costs:
- B. Notwithstanding the foregoing, SRP shall only be responsible for capital costs as follows, based on the in-service date of that capital item:
 - a. 100% of the 35.8% share for capital costs of capital items with an in-service date between the Effective Date and December 31, 2017.
 - b. 50% of that 35.8% share (17.9%) for capital costs of capital items with an in-service date between January 1, 2018 and December 31, 2018, and
 - c. 10% of that 35.8% share (3.58%) for capital costs of capital items with an in-service date between January 1, 2019 and December 22, 2019, and
 - d. 0% thereafter.

By way of clarification, if a capital item does not have an in-service date during the relevant period, SRP shall not be responsible for any of the capital costs associated with that item.

- C. SRP will pay LADWP 35.8% of the amount incurred each month by LADWP for no-load losses on the Western Transmission System as those losses are calculated under the current interim loss methodology approved by the Transmission Engineering and Operating Committee pursuant to the Co-Tenancy Agreement. SRP will pay LADWP a

proportionate share of the amount incurred by LADWP each month for load losses on the Western Transmission System as those losses are calculated under the current interim loss methodology approved by the Transmission Engineering and Operating Committee pursuant to the Co-Tenancy Agreement with the proportionate share determined for each hour during the billing period by calculating the ratio of SRP's energy schedule to LADWP's energy schedule. For those hours during which one Party had an energy schedule and the other Party did not have an energy schedule, the Party with the energy schedule will be responsible for 100% of the incurred load losses associated with that hour. For the purposes of calculating the proportionate share, LADWP energy schedule shall include any energy schedules associated with transmission service on the Western Transmission System that LADWP has sold to third parties. When a new loss calculation/allocation methodology is developed and approved by the Transmission Engineering and Operating Committee, SRP will pay a similar proportional share of no-load and load losses as allocated to LADWP as calculated under any such new loss methodology and a similar proportional share of any true up for any difference between the interim loss methodology and any subsequent new loss methodology used during the Term of this Agreement.

NOTICES, BILLING AND PAYMENT:

- A. Notices shall be provided pursuant to the same procedures as set forth in Section 11.3 of the APSA.
- B. LADWP shall provide SRP with copies of all billing statements, and supporting materials received from the Operating Agents of the Transmission Systems, together with all material correspondence received from the Participants with respect to proposed operation, capital improvement and maintenance projects and expenses for that system, within five business days after receipt thereof, unless SRP is shown to have received a copy thereof already.
- C. SRP shall pay LADWP for amounts due hereunder at least two business days prior to the date that LADWP is required to pay the Operating Agent for the Western Transmission System.

DEFINITIONS: Capitalized terms that are not defined in this Agreement shall have the meanings ascribed to such terms in the APSA.

DISPUTE RESOLUTION: The provisions of Appendix 11.10(c) of the APSA shall apply to any disputes that arise among the Parties pursuant to this Agreement.

EXPENSES: Except as otherwise provided herein, each Party is responsible for its own costs and expenses (including attorneys' and consultants' fees, cost and expenses) incurred in connection with this Agreement and the consummation of the transactions contemplated by this Agreement.

ENTIRE DOCUMENT: This Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby and superseded all negotiations, representations, warranties, commitments, offers, contracts and writings prior to the execution date of this Agreement, written or oral. No waiver and no modification or amendment of any provision of this Agreement is effective unless made in writing and duly signed by the Parties referring specifically to this Agreement, and then only to the specific purpose, extent and interest so provided.

ASSIGNABILITY: This Agreement is binding upon and inures to the benefit of the successors and assigns of the Parties, but is not assignable by either Party without the prior written consent of the other Party, which consent may be granted or withheld in such Party's reasonable discretion.. Any such assignment is conditioned on the assignee's agreement in writing to assume the assigning Party's duties and obligations under this Agreement. Any assignment effected in accordance with this Agreement will not relieve the assigning Party of its obligations and liabilities under this Agreement.

GOVERNING LAW: The validity, interpretation and effect of this Agreement are governed by and will be construed in accordance with the laws of the State of Arizona, without regard to conflicts of law doctrines except to the extent that certain matters are preempted by Federal law or are governed by the law of the jurisdiction of organization of the respective Parties.

NO THIRD PARTY BENEFICIARIES: Except as may be specifically set forth in this Agreement, nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any persons other than the Parties and their respective permitted successors and assigns, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to any Party, nor give any third Persons any right of subrogation or action against any Party.

COUNTERPARTS: This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

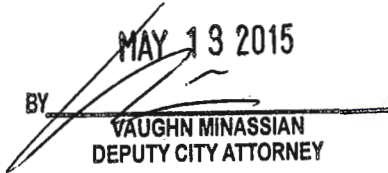
[Signature page follows]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement on the date first above written.

LADWP:

DEPARTMENT OF WATER AND POWER
OF THE CITY OF LOS ANGELES,
a department organized and existing under the
Charter of the City of Los Angeles, California

APPROVED AS TO FORM AND LEGALITY
MICHAEL N. FEUER, CITY ATTORNEY

MAY 13 2015
BY 
VAUGHN MINASSIAN
DEPUTY CITY ATTORNEY

By: _____

Name: Marcie L. Edwards

Title: General Manager

Date:

And: Barbara E. Moschos, Board Secretary

SRP:

SALT RIVER PROJECT AGRICULTURAL
IMPROVEMENT AND POWER DISTRICT,
a political subdivision of the State of Arizona

By: _____

Name: _____

Title: _____