



DixiePower

ENERGIZING LIFE

October 31, 2018

To Whom It May Concern:

Dixie Power is an electric cooperative providing electric utility services to approximately 22,000 members in southern Utah and northern Arizona. Dixie Power has an office in St. George, Utah. We supply one-third of the power in Washington County.

We are the largest member of the five members of the Deseret Power Electric Cooperative. Dixie Power is growing at a rate of 6 percent annually in energy sales. To serve our expanding number of customers, we are making considerable infrastructure investments. We have a work plan that amounts to about \$60 million in infrastructure investment, including building and investing in generation and distribution facilities. It is imperative that our community makes similar investments in water infrastructure through the Lake Powell Pipeline. If our community does not have an adequate water supply, Dixie Power and thousands of other businesses will have stranded investment.

Dixie Power is a non-profit co-op that must look ahead and plan for the future. Water utilities and providers have the same obligations we do. People expect the lights to come on when they turn a switch and they expect water to come out of the faucet when they turn it on..

We learned a valuable lesson in the early 1990s that speaks to the need for advance planning. Energy shortages in Southern Utah forced rolling blackouts for our customers during peak times. Since that time we have made considerable investments in our energy system to make sure customers have power when they need it. Our community is at risk of water shortages if we don't plan ahead.

One of the greatest benefits of the Lake Powell Pipeline (LPP) will be the diversification of supply and enhanced reliability for our region. LPP increases the reliability for customers today by introducing the Colorado River as another source of water. If there is a drought that severely impacts the Virgin River or a wildfire impedes the water quality, the LPP provides us another reliable source of water to draw upon.

As a local energy provider, we are encouraged by the hydropower component of the LPP because it diversifies the energy portfolio of our region. Rather than importing the electricity needed for the project, LPP will be able to self-power at least part of the energy needed to run the water pumps. The pump storage component of the project could be combined with other sources of power, such as solar arrays to create sustainable energy. We have seen how California, Nevada and Arizona have had to stop solar installations because they did not have the other renewable resources to supplement it. Utah could find itself in the same positions if we don't have other renewable energy sources to supplement solar.

Our customers, our business and our communities all need reliable sources of water. We strongly encourage the FERC to approve this project, which will bring critical water and renewable energy to southern Utah.



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Sincerely

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President and Chief Executive Officer

Dixie Power

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