



HEBER LIGHT & POWER COMPANY

31 S 100 W
Heber City, UT 84032

BOARD MEETING NOTICE & AGENDA

Date: **November 21, 2024**
Time: **4:00 pm Board Meeting**
6:00 pm Public Hearing on Budget
Location: **Heber Light & Power**
31 S 100 W, Heber City, UT
Zoom Link: <https://heberpower.zoom.us/j/88269450935>

Board of Directors:

Heber City Mayor – Heidi Franco
Midway City Rep. – Kevin Payne
Charleston Town Mayor - Brenda Christensen
Wasatch County Council Rep. - Kendall Crittenden
Heber City Council Rep. – Sid Ostergaard
Heber City Council Rep. – Aaron Cheatwood

AGENDA

1. Approval of Consent Agenda:
 - October 23, 2024, Board Meeting Minutes
 - October 2024 Financial Statement
 - October 2024 Warrants
2. Discussion and Possible Approval of UAMPS Power Sales Contracts(Jason Norlen)
 - a) Resolution 2024-06 Authorizing and Approving The Millard County Power Project Power Sales Contract with Utah Associated Municipal Power Systems and Related Matters
 - b) Resolution 2024-07 Authorizing and Approving The Power County Power Project Power Sales Contract With Utah Associated Municipal Power Systems and Related Matters
3. Discussion and Decision on Employee Request for Retirement Buyout (HLP Staff)
4. Discussion on Line Extension for Heber Valley Railroad
5. Discussion and Possible Approval of Feed-in-Tariff Policy (Patricio Hernandez)
6. Wholesale Power Report (Emily Brandt)
7. Discussion on Sale Offer of Administration Building (Adam Long)
8. GM Report
 - UAMPS Report
 - IPA Update
 - Capital Projects Update

6:00 p.m. - Public Hearing on 2025 Budget and Fee Schedule

9. Discussion and Possible Approval of 2025 Budget and Fee Schedule
10. Closed Session: Discuss Personnel and/or sale or purchase of real property.

Agenda Item 1: Consent Agenda Board Minutes



Board Meeting January 24, 2023



HEBER LIGHT & POWER COMPANY

31 South 100 West Heber
City, Utah 84032

BOARD MEETING

October 23, 2024

The Board of Directors of Heber Light & Power met on October 23, 2024, at 4:00 pm at the Heber Light & Power Business Office, 31 S 100 W, Heber City, Utah.

Board Member Attendance: Board Chair – Heidi Franco: Present
Director – Kevin Payne: Present
Director – Brenda Christensen: Present
Director – Sid Ostergaard: Present
Director – Aaron Cheatwood: Present
Director – Kendall Crittenden: Present

Others Present: Jason Norlen, Bart Miller, Adam Long, Karly Schindler, Rylee Allen, Emily Brandt, Patricio Hernandez, Jake Parcell, Josh Gustin and Colby Houghton.

Chair Franco welcomed those in attendance.

1. Consent agenda - approval of a) September 25, 2024, Board Meeting Minutes, b) September 2024 Financial Statements c) September 2024 Warrants. Chair Franco asked for a discussion or motion on the consent agenda.

Motion. Director Brenda Christensen moved to approve the consent agenda and the strategic plan.

Director Kendall Christensen seconded the motion. The motion carried with the following vote:

Board Chair – Heidi Franco: Approve
Director – Kevin Payne: Approve
Director – Brenda Christensen: Approve
Director – Sid Ostergaard: Approve
Director – Aaron Cheatwood: Not Present
Director – Kendall Crittenden: Approve

2. Review and Approval of Draft 2025 Budget (Bart Miller). Bart Miller shared a look at our budget from previous years and explained how we arrived at our current situation. Aaron Cheatwood joined the meeting. It seems like we're in for a moderate year, with a projected 2.3% increase for 2025. He discussed the forecast and budget for various areas, including power purchases, electricity, salaries, wages, benefits, system maintenance, training, and depreciation. Bart also reviewed the current rates and the state requirements for the budget. They're suggesting a new fee for dig-in/damage mobilization, which would have three tiers: a minimum of \$300 unless it's the blue staker's fault, \$1,000 for one to five hours, and \$5,000 for anything over five hours.

Motion. Director Cheatwood moved to accept the changes to the preliminary budget. Director Payne seconded the motion. The motion carried with the following vote:

Board Chair – Heidi Franco: Approve
Director – Kevin Payne: Approve
Director – Brenda Christensen: Approve
Director – Sid Ostergaard: Approve
Director – Aaron Cheatwood: Approve
Director – Kendall Crittenden: Approve

3. Review and Possible Approval of Offer from Mustang CAT on Unit #2 (Jason Norlen). We are ready to replace one of the HLP natural gas units we bought in 2003. A new one is coming in 2026 through the CAT field program. Mustang CAT offer is 95,000 loaded onto their trucks, as is. That's also what the appraisal says it's worth.

Motion. Director Crittenden moved to accept the offer from Mustang676 CAT. Director Cheatwood seconded the motion. The motion carried with the following vote:

Board Chair – Heidi Franco: Approve
Director – Kevin Payne: Approve
Director – Brenda Christensen: Approve
Director – Sid Ostergaard: Approve
Director – Aaron Cheatwood: Approve
Director – Kendall Crittenden: Approve

4. Discuss Midway City Main Street Streetlights Request (Jason Norlen). Midway City is looking to install 22 additional street lights because they're worried about some dark areas on Main Street. They are asking for HLP to donate LED pendants for the light fixtures, while Midway City will handle the rest of the project, which has been done on projects prior.

5. Wholesale Power Report.3. Emily Brandt noted that we're a little over budget with natural gas, but we're doing well and under budget for wholesale power. Energy costs are still on the rise because of customer growth. She presented some charts about our energy resource mix and went over some options and changes we could consider for our portfolio, as well as our current and future resources.

6. Discussion of UAMPS Gas Generation Projects Power Sales Contract (Jason Norlen) Jason explained the projects that UAMPS is proposing. The first project is located in Millard County and is a reciprocating internal combustion peaking facility and the second project is in Power County, Idaho and is a baseload combined cycle facility. The UAMPS member analysis identified the recommended subscription levels for Heber Light & Power in each of the projects. Jason reviewed

some of the risks of contracts such as: take or pay, roll up provision, decisions of a project committee. (Director Crittenden exited the meeting.)

7. GM Report.

UAMPS Report. Jason told the Board that Pacificorp has reached out to UAMPS to announce their upcoming participation in CAISO's Energy Day Ahead Market (EDAM) as part of their Balancing Authority (BA) in 2026. This change will have an impact on transmission rates, and UAMPS is currently examining what that might mean.

IPA Update. The IAP audit is complete, and everything came back good.

Building Update. Jason shared that the HLP building is making great progress. The metal shop is coming along fast, and they'll be putting up the AMI tower next week. Framing is scheduled to start in the first week of November.

Chair Franco called for a motion to adjourn the meeting.

Motion: Director Payne moved to adjourn the meeting. Director Christensen seconded the motion. The motion carried with the following vote:

Board Chair – Heidi Franco: Approve

Director – Kevin Payne: Approve

Director – Brenda Christensen: Approve

Director – Aaron Cheatwood: Approve

Director – Kendall Crittenden: Approve

Director – Sid Ostergaard: Approve

Meeting adjourned.

Rylee Allen
Board Secretary

Agenda Item 1: Consent Agenda Financials



Board Meeting January 24, 2023

Heber Light & Power								
TRENDS AT A GLANCE - Financial Summary								
Year To Date October 31, 2024								
		12/31/2020	12/31/2021	12/31/2022	12/31/2023	YTD 10/31/2024	YTD Budget	Annual Budget
1	Total Customers	13,175	13,682	14,181	15,078	15,651		
2	Customer Growth	2.72%	3.85%	3.65%	6.33%	3.80%		
3	Cash and Investments (Operating)	1,003,597	369,478	(280,982)	1,029,003	3,691,400		3,674,715
4	Cash and Investments (Operating Reserves)	4,380,829	3,531,800	6,913,764	5,172,668	15,107,607		7,421,091
5	Days cash on hand	115	82	109	100	259		120
6	Cash and Investments Restricted	18,175,626	18,152,483	9,925,319	23,152,516	11,972,444		
7	Net Capital Assets	40,826,526	48,024,733	59,655,315	81,055,577	93,114,743		
8	Total Assets	70,846,821	77,162,287	86,592,269	125,205,376	136,004,267		
9	Total Liabilities	29,374,364	26,703,304	30,764,597	61,018,562	58,810,138		
10	Net Position (Equity)	41,472,457	50,531,782	54,998,754	64,186,815	77,194,129		
11	Operating Revenues	20,530,165	21,420,515	23,077,390	25,991,779	22,929,202	23,312,062	27,761,422
12	Operating Expenses	19,624,916	20,057,173	25,223,257	26,165,610	23,879,739	25,218,058	29,847,464
13	Operating Income	905,249	1,363,342	(2,145,867)	(173,831)	(950,537)	(1,905,996)	(2,086,042)
13	Operating Income less Depreciation	3,404,743	4,069,767	858,571	3,224,640	2,134,508	685,876	1,038,958
14	Impact Fees	1,404,681	2,387,447	3,195,068	4,142,767	4,057,692	2,672,443	3,000,000
15	Restricted Net Assets Impact Fees	2,868,080	3,445,774	12	25	13,548		
16	Contributions (CIAC)	3,275,127	6,100,580	4,056,099	5,472,934	8,190,490	2,418,907	3,000,000
17	Restricted Net Assets CIAC	694,022	1,143,545	1,121,123	1,643,529	1,808,486		
18	Inventory	1,908,637	3,757,132	4,430,810	6,406,955	7,471,624		
19	CIAC Inventory included in line 18	649,502	2,255,274	2,992,759	3,716,034	4,333,542		
20	Distributions	300,000	300,000	300,000	75,000	0	0	0
21	Change In Net Position (Net Income)	4,896,727	9,059,325	4,466,972	9,113,065	8,622,951	510,661	704,326
22	Net Cash Provided by Operating Activities	2,741,947	2,021,413	3,847,915				2,109,053
23	Debt Service	2,524,157	1,615,023	1,625,499	1,326,952	2,674,694	2,674,694	3,209,632
24	Leverage Ratio	6.3	6.2	9.7	10.9			<8.0
25	Affordability Rate	1.30%	1.30%	0.96%	1.01%			<2.5%
26	Debt Service Coverage Ratio	2.01 / 1.45	4.05 / 2.57	2.66 / 0.7	6.81 / 3.69	2.81 / 1.29		>1.25
27	Payroll, Benefits, Taxes	5,696,212	5,641,900	6,392,193	7,258,341	6,611,454	5,939,890	7,721,857
28	Rates/Rate Increases	4.0%	2.0%	5.5%	5.5%	5.5%	0.0%	5.5%
29	Energy Supply (MWh)	200,783	207,035	215,711	206,013	194,949		224,858
30	Energy Sales (MWh)	186,808	193,144	201,380	206,013	184,878		212,603
31	Energy Growth	3.77%	3.11%	4.19%	-4.50%	11.94%		9.15%
32	Sales Growth	3.84%	3.39%	4.26%	2.30%	7.14%		3.20%
33	MW usage/Coincident Peak	42	47	49	52	53		
34	Overall System Capacity	50	50	50	50	100		
35	System Age Percentage	48%	48%	44%	45%	42%		< 55%
36	Total Capital Budget Expenditures	2,645,822	7,573,059	9,429,982	34,581,872	18,713,282		36,726,000

	Notes
1	(EMMA - SEC Summary posted on EMMA website. PB Bart)
2	(percent calculation of year to year increase on line 1)
3	(10/31 FS pkg. pg 1. - line 3 and line 4 add together to arrive at Cash and investments deposited in unrestricted accounts. Annual budget is min recommendation by UFS.)
4	(10/31 FS pkg. pg 1.- line 3 and line 4 add together to arrive at Cash and investments deposited in unrestricted accounts. Board requires no less than 91 days in reserve.)
5	(FITCH requirement/Bart calculation-target 115-150 to be in a better position for potential financing) Days of cash on hand is calculated by dividing unrestricted cash and cash. equivalents by the system's average daily cost of operations, excluding depreciation (annual operating expenses, excluding depreciation, divided by 365). Current Cash Reserve Policy is minimum 91 days.
6	(10/31 FS pkg. pg 1. Restricted cash and investments, namely Bond Funds, Escrow Payments, and CIAC amounts. Annual budget is min recommendation by UFS.)
7	(10/31/FS pkg. pg 1)
8	(10/31/FS pkg. pg 1)
9	(10/31/FS pkg. pg 1)
10	(10/31/FS pkg. pg 1 - Net Position reflects total assets less total liabilities)
11	(10/31/FS pkg. pg 4)
12	(10/31/FS pkg. pg 4)
13	(10/31/FS pkg. pg 4 Operating Revenues less Operating Expenses)
13	(10/31/FS pkg. pg 4 Operating Revenues less Operating Expenses plus Depreciation Expense)
14	(10/31/FS pkg. pg 4 - Impact Fees Revenue brought in during the year.)
15	(Impact Fees received but project not completed.)
16	(10/31/FS pkg. pg 4 - CIAC Revenue brought in during the year.)
17	(CIAC received but project not completed.)
18	(10/31 FS pkg. Pg. 1, pg 10,)
19	(10/31 FS pkg. Pg. 1, pg 10
20	(10/31 FS pkg. Pg. 4 Distributions to Owners)
21	(10/31 FS pkg. Pg. 4 Bottom Line including all income and expenses including CIAC, Impact Fees and Debt Service.)
22	(Audit Statement of Cash Flows provided annually with audit - Target from UFS)
23	GenSet Lease (164,278.22) + 2012 DS (368,000) + 2019DS (1,094,750) + 2023DS (2,100,500) - 2019Premium (282,416) - 2023Premium (235,480)
24	(FITCH calculation - should be no higher than 8.0 - Net Adjusted Debt divided by Adjusted FADs for Leverage)
25	(Ability for customers to pay the HLP bill) Avg Res Cost of Electric(Annualized Res Rev/Customer Count)/Median Household Income (US Census Bureau)
26	Bond covenants require 1.25 - First Value Formula: (Income + Dep + Int Inc+Imp Fee Rev)/(Total debt) Second Value Formula: (Income + Dep + Int Inc)/(Total debt)
27	(Bart - Gross wages, total benefits, payroll taxes)(**Employee Totals Report**)
28	(Board approved annual rate increases.)
29	(EMMA - SEC Summary posted on EMMA website. PB Bart)
30	(EMMA - SEC Summary posted on EMMA website. PB Bart)
31	5.47% over all years average 1.39%/Year (2024 reflects the October 2024 to the October 2023)
32	(calculated % Energy sales growth from year to year) (2024 reflects the October 2024 to the October 2023)
33	System peak on the year
34	(System capacity based upon all available resources.)
35	Average Age of System Assets (Accumulated Depreciation/Book Value)
36	Annual Expenditures on Capital Assets (Includes costs captured in CWIP plus unitized assets)



HEBER LIGHT & POWER COMPANY

Statement of Net Position

October 31, 2024 and 2023

	2024	2023	Variance	% Change
ASSETS				
Current Assets:				
Cash and Investments	15,471,388.85	5,362,349.62	10,109,039.23	189%
Restricted Cash and Investments	11,972,443.35	28,455,917.45	(16,483,474.10)	-58%
AR(Net of Doubtful Accounts)	1,533,672.31	1,851,715.01	(318,042.70)	-17%
Unbilled Receivables	1,675,159.07	1,570,918.84	104,240.23	7%
Prepaid Expenses	1,212,533.75	1,183,375.51	29,158.24	2%
Material Inventory	7,471,624.20	6,511,174.81	960,449.39	15%
Other Current Assets	(209,188.72)	81,077.44	(290,266.16)	-358%
<i>Total Current Assets</i>	<i>39,127,632.81</i>	<i>45,016,528.68</i>	<i>(5,888,895.87)</i>	<i>-13%</i>
Capital Assets:				
Land, CWIP & Water Rights	36,900,692.84	28,333,030.60	8,567,662.24	30%
Depreciable (net of Accum Depreciation)	56,214,050.59	49,341,395.54	6,872,655.05	14%
<i>Net Capital Assets</i>	<i>93,114,743.43</i>	<i>77,674,426.14</i>	<i>15,440,317.29</i>	<i>20%</i>
TOTAL ASSETS	132,242,376.24	122,690,954.82	9,551,421.42	8%
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related	1,790,995.65	3,039,024.65	(1,248,029.00)	-41%
TOTAL DEFERRED OUTFLOWS	1,790,995.65	3,039,024.65	(1,248,029.00)	-41%
LIABILITIES				
Current Liabilities:				
Accounts Payable	2,659,215.97	2,758,006.52	(98,790.55)	-4%
Accrued Expenses	63,965.70	840,108.95	(776,143.25)	-92%
Related Party Payable	358,883.18	177,422.99	181,460.19	102%
Current Portion of LTD	1,962,618.06	1,237,711.32	724,906.74	59%
<i>Total Current Liabilities</i>	<i>5,044,682.91</i>	<i>5,013,249.78</i>	<i>31,433.13</i>	<i>1%</i>
Non-Current Liabilities:				
Revenue Bonds Payable	44,522,381.94	45,902,288.68	(1,379,906.74)	-3%
Bond Premium	5,247,293.60	5,746,512.60	(499,219.00)	-9%
Capital Lease Obligations	758,858.58	898,911.14	(140,052.56)	-16%
Compensated Absences	1,355,655.85	1,539,572.48	(183,916.63)	-12%
Early Retirement Incentive	129,666.71	129,666.71	-	0%
Contract Payable	1,189,196.00	1,178,478.00	10,718.00	1%
Net Pension Liability	562,402.00	-	562,402.00	100%
<i>Total Non-Current Liabilities</i>	<i>53,765,454.68</i>	<i>55,395,429.61</i>	<i>(1,629,974.93)</i>	<i>-3%</i>
TOTAL LIABILITIES	58,810,137.59	60,408,679.39	(1,598,541.80)	-3%
DEFERRED INFLOWS OF RESOURCES				
Pension Related	9,420.00	2,243,874.00	(2,234,454.00)	-100%
TOTAL DEFERRED INFLOWS	9,420.00	2,243,874.00	(2,234,454.00)	-100%
NET POSITION				
Net Investment in Capital Assets	73,943,965.76	56,702,523.03	17,241,442.73	30%
Restricted for Capital Projects	3,764,548.46	3,047,285.58	717,262.88	24%
Unrestricted	(2,494,699.92)	3,327,617.47	(5,822,317.39)	-175%
TOTAL NET POSITION	75,213,814.30	63,077,426.08	12,136,388.22	19%



HEBER LIGHT & POWER COMPANY
Statement of Net Position
October 31, 2024 and 2023

	2024	2023	Variance	% Change
ASSETS				
Current Assets:				
<u>Cash and Investments</u>	<u>15,471,388.85</u>	<u>5,362,349.62</u>	<u>10,109,039.23</u>	<u>189%</u>
130.00 - Cash on Hand	212.83	3,512.83	(3,300.00)	-94%
131.00 - Cash - General	(196,607.54)	(650,262.86)	453,655.32	-70%
131.20 - Cash - Vehicle Reserve	702,028.23	569,545.11	132,483.12	23%
131.98 - Cash - Sweep	550,421.32	1,526,247.63	(975,826.31)	-64%
131.99 - Cash - Clearing	9,755.56	5,060.17	4,695.39	93%
134.00 - PTIF - Reserve	14,237,976.45	3,749,507.88	10,488,468.57	280%
134.01 - PTIF - Self-Insurance	168,326.31	159,463.17	8,863.14	6%
134.10 - PTIF - Valuation	(724.31)	(724.31)	-	0%
<u>Restricted Cash and Investments</u>	<u>11,972,443.35</u>	<u>28,455,917.45</u>	<u>(16,483,474.10)</u>	<u>-58%</u>
131.30 - Impact Fee	13,547.52	302,608.51	(289,060.99)	-96%
134.02 - PTIF - CIAC Holding	3,467,795.05	1,900,602.27	1,567,192.78	82%
136.20 - 2012 Debt Service Escrow	316,182.18	324,831.30	(8,649.12)	-3%
136.50 - 2019 Project Fund	-	2,585.86	(2,585.86)	-100%
136.51 - 2023 Project Fund	6,548,585.70	25,284,828.83	(18,736,243.13)	-74%
136.60 - 2019 Debt Service Escrow	571,329.36	638,025.93	(66,696.57)	-10%
136.61 - 2023 Debt Service Escrow	1,055,003.54	2,434.75	1,052,568.79	43231%
<u>AR(Net of Doubtful Accounts)</u>	<u>1,533,672.31</u>	<u>1,851,715.01</u>	<u>(318,042.70)</u>	<u>-17%</u>
142.00 - Accounts Receivable	1,422,509.59	1,742,213.23	(319,703.64)	-18%
142.10 - Jordanelle Receivable	98,986.36	91,609.88	7,376.48	8%
144.00 - Allowance for Doubtful Accounts	(288,548.62)	(288,627.34)	78.72	0%
144.10 - Factored Doubtful Accounts	300,724.98	306,519.24	(5,794.26)	-2%
<u>Unbilled Receivables</u>	<u>1,675,159.07</u>	<u>1,570,918.84</u>	<u>104,240.23</u>	<u>7%</u>
142.98 - Unbilled Accounts Receivable	1,675,159.07	1,570,918.84	104,240.23	7%
<u>Prepaid Expenses</u>	<u>1,212,533.75</u>	<u>1,183,375.51</u>	<u>29,158.24</u>	<u>2%</u>
165.00 - Prepaid Expenses	523,472.24	452,333.05	71,139.19	16%
165.10 - Unearned Leave	689,061.51	731,042.46	(41,980.95)	100%
<u>Material Inventory</u>	<u>7,471,624.20</u>	<u>6,511,174.81</u>	<u>960,449.39</u>	<u>15%</u>
154.00 - Material Inventory	7,471,624.20	6,511,174.81	960,449.39	15%
<u>Other Current Assets</u>	<u>(209,188.72)</u>	<u>81,077.44</u>	<u>(290,266.16)</u>	<u>-358%</u>
142.99 - CIS Clearing	-	-	-	100%
143.00 - Miscellaneous Receivables	(209,188.72)	81,077.44	(290,266.16)	-358%
<i>Total Current Assets</i>	<i>39,127,632.81</i>	<i>45,016,528.68</i>	<i>(5,888,895.87)</i>	<i>-13%</i>
Capital Assets:				
<u>Land, CWIP & Water Rights</u>	<u>36,900,692.84</u>	<u>28,333,030.60</u>	<u>8,567,662.24</u>	<u>30%</u>
107.00 - Construction in Progress	31,970,214.14	23,525,774.73	8,444,439.41	36%
389.00 - Land	4,300,103.70	4,143,780.87	156,322.83	4%
399.00 - Water Rights	630,375.00	663,475.00	(33,100.00)	-5%
<u>Depreciable (net of Accumulated Depreciation)</u>	<u>56,214,050.59</u>	<u>49,341,395.54</u>	<u>6,872,655.05</u>	<u>14%</u>
108.00 - Accumlated Depreciation	(45,113,531.07)	(41,156,723.27)	(3,956,807.80)	10%
331.00 - Witt Power Plant	2,776,919.57	2,776,919.57	-	0%
332.00 - Generation Plant - Hydro	250,065.63	250,065.63	-	0%
334.00 - Generation Plant - Natural Gas	8,657,988.78	6,668,298.29	1,989,690.49	30%
361.00 - Lines	72,183,532.33	64,112,651.88	8,070,880.45	13%
362.00 - Substations	3,762,911.26	3,762,911.26	-	0%
368.00 - Transformers	19,869.84	19,869.84	-	0%
370.00 - Metering Assets	978,895.71	873,777.60	105,118.11	12%
390.00 - Buildings	3,795,029.37	3,792,260.27	2,769.10	0%
391.00 - Office Building Assets	355,813.73	355,813.73	-	0%
392.00 - Trucks and Motor Vehicles	4,354,816.16	3,768,169.50	586,646.66	16%
394.00 - Machinery, Equipment & Tools	2,491,542.29	2,500,484.21	(8,941.92)	0%
397.00 - Technology/Office Equipment	1,700,196.99	1,616,897.03	83,299.96	5%
<i>Net Capital Assets</i>	<i>93,114,743.43</i>	<i>77,674,426.14</i>	<i>15,440,317.29</i>	<i>20%</i>
TOTAL ASSETS	132,242,376.24	122,690,954.82	9,551,421.42	8%
DEFERRED OUTFLOWS OF RESOURCES				
<u>Pension Related</u>	<u>1,790,995.65</u>	<u>3,039,024.65</u>	<u>(1,248,029.00)</u>	<u>-41%</u>
134.20 - Net Pension Asset	-	1,624,069.00	(1,624,069.00)	-100%
134.30 - Deferred Outflows of Resources	1,790,995.65	1,414,955.65	376,040.00	27%
TOTAL DEFERRED OUTFLOWS	1,790,995.65	3,039,024.65	(1,248,029.00)	-41%



HEBER LIGHT & POWER COMPANY
Statement of Net Position
October 31, 2024 and 2023

	2024	2023	Variance	% Change
LIABILITIES				
Current Liabilities:				
Accounts Payable	2,659,215.97	2,758,006.52	(98,790.55)	-4%
232.00 - Accounts Payable	2,659,215.97	2,758,006.52	(98,790.55)	-4%
Accrued Expenses	63,965.70	840,108.95	(776,143.25)	-92%
232.98 - Accrued Liabilities	849,968.79	734,804.63	115,164.16	16%
232.99 - Uninvoiced Materials	(885,027.71)	10,115.18	(895,142.89)	-8850%
235.10 - Customer Deposits	1,205.00	205.00	1,000.00	488%
241.00 - Sales Tax Payable	68,808.72	75,250.73	(6,442.01)	-9%
241.10 - Federal Withholding Payable	-	-	-	100%
241.20 - State Withholding Payable	27,033.26	16,812.99	10,220.27	61%
242.10 - Accrued Wages Payable	-	-	-	100%
242.40 - Salary Deferral	(445.20)	(445.20)	-	0%
242.99 - Payroll Clearing	3,365.62	3,365.62	-	0%
243.00 - HSA Employee Deferral	(942.78)	-	(942.78)	100%
Related Party Payable	358,883.18	177,422.99	181,460.19	102%
241.30 - Franchise Tax - Heber	244,296.66	120,961.39	123,335.27	102%
241.40 - Franchise Tax - Midway	88,132.25	41,607.44	46,524.81	112%
241.50 - Franchise Tax - Charleston	13,264.58	6,535.99	6,728.59	103%
241.60 - Franchise Tax - Daniel	13,189.69	8,318.17	4,871.52	59%
Current Portion of LTD	1,962,618.06	1,237,711.32	724,906.74	59%
242.50 - Current Portion of LTD	1,962,618.06	1,237,711.32	724,906.74	59%
Total Current Liabilities	5,044,682.91	5,013,249.78	31,433.13	1%
Non-Current Liabilities:				
Revenue Bonds Payable	44,522,381.94	45,902,288.68	(1,379,906.74)	-3%
221.10 - 2012 Bonds Principal	450,000.00	780,000.00	(330,000.00)	-42%
221.20 - 2019 Bonds Principal	16,965,000.00	17,290,000.00	(325,000.00)	-2%
221.21 - 2023 Bonds Principal	29,070,000.00	29,070,000.00	-	0%
242.60 - Current Portion of LTD	(1,962,618.06)	(1,237,711.32)	(724,906.74)	59%
Bond Premium	5,247,293.60	5,746,512.60	(499,219.00)	-9%
225.00 - 2012 Bond Premium	-	-	-	100%
225.10 - 2019 Bond Premium	1,770,341.15	2,064,811.15	(294,470.00)	-14%
225.11 - 2023 Bond Premium	3,476,952.45	3,681,701.45	(204,749.00)	-6%
Capital Lease Obligations	758,858.58	898,911.14	(140,052.56)	-16%
227.00 - GENSET Capital Lease	758,858.58	898,911.14	(140,052.56)	-16%
Compensated Absences	1,355,655.85	1,539,572.48	(183,916.63)	-12%
242.20 - Accrued Vacation Payable	363,204.31	425,304.05	(62,099.74)	-15%
242.30 - Accrued Sick Payable	992,451.54	1,114,268.43	(121,816.89)	-11%
Early Retirement Incentive	129,666.71	129,666.71	-	0%
254.00 - Post Employment Liabilities	129,666.71	129,666.71	-	0%
Contract Payable	1,189,196.00	1,178,478.00	10,718.00	1%
224.00 - CUWCD Debt Payback	1,189,196.00	1,178,478.00	10,718.00	1%
Net Pension Liability	562,402.00	-	562,402.00	100%
254.10 - Net Pension Liability	562,402.00	-	562,402.00	100%
Total Non-Current Liabilities	53,765,454.68	55,395,429.61	(1,629,974.93)	-3%
TOTAL LIABILITIES	58,810,137.59	60,408,679.39	(1,598,541.80)	-3%
DEFERRED INFLOWS OF RESOURCES				
Pension Related	9,420.00	2,243,874.00	(2,234,454.00)	-100%
254.20 - Deferred Inflows of Resources	9,420.00	2,243,874.00	(2,234,454.00)	-100%
TOTAL DEFERRED INFLOWS	9,420.00	2,243,874.00	(2,234,454.00)	-100%
NET POSITION				
Net Investment in Capital Assets	73,943,965.76	56,702,523.03	17,241,442.73	30%
Restricted for Capital Projects	3,764,548.46	3,047,285.58	717,262.88	24%
131.30 - Impact Fee	13,547.52	302,608.51	(289,060.99)	-96%
136.20 - 2012 Debt Service Escrow	316,182.18	324,831.30	(8,649.12)	-3%
136.60 - 2019 Debt Service Escrow	571,329.36	638,025.93	(66,696.57)	-10%
136.61 - 2023 Debt Service Escrow	1,055,003.54	2,434.75	1,052,568.79	43231%
415.00 - Contributions in Aid	1,808,485.86	1,779,385.09	29,100.77	2%
Unrestricted	(2,494,699.92)	3,327,617.47	(5,822,317.39)	-175%
TOTAL NET POSITION	75,213,814.30	63,077,426.08	12,136,388.22	19%



HEBER LIGHT & POWER COMPANY
Statements of Revenues, Expenses, and Changes in Net Position
YTD - Periods Ended October 31, 2024 and 2023

	2023 Actual	2024 Actual	2024 Budget	Variance to Budget	% Variance
Operating Revenues:					
Electricity Sales	19,651,147.17	20,789,776.25	21,458,105.60	(668,329.35)	-3.1%
Electricity Sales - Jordanelle	1,687,337.68	1,717,921.80	1,476,698.80	241,223.00	16.3%
Connection Fees	116,993.33	155,519.29	110,011.10	45,508.19	41.4%
Other Income	226,534.95	265,984.23	267,246.60	(1,262.37)	-0.5%
<i>Total Operating Revenues</i>	<u>21,682,013.13</u>	<u>22,929,201.57</u>	<u>23,312,062.10</u>	<u>(382,860.53)</u>	<u>-1.6%</u>
Operating Expenses:					
Power Purchases	(9,729,260.54)	(10,554,728.72)	(12,614,854.20)	2,060,125.48	-16.3%
Power Purchases - Jordanelle	(1,620,019.33)	(1,719,881.52)	(1,476,698.80)	(243,182.72)	16.5%
Salaries, Wages and Benefits (Unallocated)	(1,045,394.78)	(1,147,108.11)	(1,352,331.70)	205,223.59	-15.2%
System Maintenance and Training	(4,130,057.53)	(3,761,617.34)	(4,415,663.60)	654,046.26	-14.8%
Depreciation (Unallocated)	(2,818,688.21)	(3,085,045.23)	(2,591,871.60)	(493,173.63)	19.0%
Gas Generaton	(1,342,779.18)	(2,211,932.84)	(1,428,974.20)	(782,958.64)	54.8%
Other	(260,214.44)	(306,629.07)	(305,243.70)	(1,385.37)	0.5%
Vehicle	(423,109.57)	(421,794.42)	(342,752.30)	(79,042.12)	23.1%
Office	(136,095.49)	(118,984.52)	(159,939.20)	40,954.68	-25.6%
Energy Rebates	(30,144.07)	(119,411.51)	(79,188.50)	(40,223.01)	50.8%
Professional Services	(198,502.79)	(193,265.95)	(204,175.00)	10,909.05	-5.3%
Materials	(160,827.93)	(206,073.24)	(203,782.30)	(2,290.94)	1.1%
Building Expenses	(40,168.99)	(33,266.11)	(42,582.70)	9,316.59	-21.9%
Bad Debts	(764.88)	-	-	-	0.0%
<i>Total Operating Expenses</i>	<u>(21,936,027.73)</u>	<u>(23,879,738.58)</u>	<u>(25,218,057.80)</u>	<u>1,338,319.22</u>	<u>-5.3%</u>
Operating Income	(254,014.60)	(950,537.01)	(1,905,995.70)	955,458.69	-50.1%
Non-Operating Revenues(Expenses)					
Impact Fees	3,690,621.95	4,057,691.71	2,672,443.00	1,385,248.71	51.8%
Interest Income	1,365,990.66	1,311,153.40	532,410.90	778,742.50	146.3%
Gain(Loss) on Sale of Capital Assets	70,775.00	(17,600.10)	-	(17,600.10)	0.0%
Interest Expense	(1,353,639.29)	(1,137,350.66)	(1,137,350.60)	(0.06)	0.0%
<i>Total Non-Operating Revenues(Expenses)</i>	<u>3,773,748.32</u>	<u>4,213,894.35</u>	<u>2,067,503.30</u>	<u>2,146,391.05</u>	<u>103.8%</u>
Contributions(Distributions):					
Contributed Capital	4,561,134.14	8,190,489.70	2,418,907.00	5,771,582.70	238.6%
Distribution to Owners	(75,000.00)	-	-	-	0.0%
<i>Total Contributions(Distributions)</i>	<u>4,486,134.14</u>	<u>8,190,489.70</u>	<u>2,418,907.00</u>	<u>5,771,582.70</u>	<u>238.6%</u>
Change in Net Position	8,005,867.86	11,453,847.04	2,580,414.60	8,873,432.44	343.9%
Net Position at Beginning of Year	55,073,749.50	63,758,612.26	63,758,612.26	-	0.0%
Net Position at End of Year	63,079,617.36	75,212,459.30	66,339,026.86	8,873,432.44	13.4%



HEBER LIGHT & POWER COMPANY
Statements of Revenues, Expenses, and Changes in Net Position
YTD - Periods Ended October 31, 2024 and 2023

	2023 Actual	2024 Actual	2024 Budget	Variance to Budget	% Variance
Operating Revenues:					
<u>Electricity Sales</u>	<u>19,651,147.17</u>	<u>20,789,776.25</u>	<u>21,458,105.60</u>	<u>(668,329.35)</u>	<u>-3.1%</u>
440.00 - Electric - Residential Income	12,408,092.60	13,072,728.87	13,487,831.70	(415,102.83)	-3.1%
442.00 - Electric - General Service Income	7,243,054.57	7,717,047.38	7,970,273.90	(253,226.52)	-3.2%
<u>Electricity Sales - Jordanelle</u>	<u>1,687,337.68</u>	<u>1,717,921.80</u>	<u>1,476,698.80</u>	<u>241,223.00</u>	<u>16.3%</u>
445.00 - Jordanelle Power Sales	1,687,337.68	1,717,921.80	1,476,698.80	241,223.00	16.3%
<u>Connection Fees</u>	<u>116,993.33</u>	<u>155,519.29</u>	<u>110,011.10</u>	<u>45,508.19</u>	<u>41.4%</u>
414.20 - Connection Fee Income	116,993.33	155,519.29	110,011.10	45,508.19	41.4%
<u>Other Income</u>	<u>226,534.95</u>	<u>265,984.23</u>	<u>267,246.60</u>	<u>(1,262.37)</u>	<u>-0.5%</u>
414.00 - Other Income	-	-	-	-	0.0%
414.10 - Pole Attachment Income	40,615.85	83,121.20	54,272.80	28,848.40	53.2%
414.30 - Penalty Income	52,484.36	49,184.26	56,487.10	(7,302.84)	-12.9%
417.00 - Revenues from Non-Utility Ops	9,798.23	7,465.89	11,018.60	(3,552.71)	-32.2%
418.00 - Non-Operating Rental Income	12,750.00	8,800.00	17,249.60	(8,449.60)	-49.0%
445.10 - Jordanelle O&M	108,961.51	115,690.88	126,245.10	(10,554.22)	-8.4%
449.01 - Other Sales Clear Peaks	765.00	702.00	779.60	(77.60)	-10.0%
451.10 - Meter Reading Charge	1,160.00	1,020.00	1,193.80	(173.80)	-14.6%
<i>Total Operating Revenues</i>	<u><u>21,682,013.13</u></u>	<u><u>22,929,201.57</u></u>	<u><u>23,312,062.10</u></u>	<u><u>(382,860.53)</u></u>	<u><u>-1.6%</u></u>
Operating Expenses:					
<u>Power Purchases</u>	<u>(9,729,260.54)</u>	<u>(10,554,728.72)</u>	<u>(12,614,854.20)</u>	<u>2,060,125.48</u>	<u>-16.3%</u>
555.00 - Power Purchases	(9,050,589.38)	(9,740,391.96)	(11,937,895.20)	2,197,503.24	-18.4%
556.00 - System Control and Load Dispatch	(678,671.16)	(814,336.76)	(676,959.00)	(137,377.76)	20.3%
<u>Power Purchases - Jordanelle</u>	<u>(1,620,019.33)</u>	<u>(1,719,881.52)</u>	<u>(1,476,698.80)</u>	<u>(243,182.72)</u>	<u>16.5%</u>
555.10 - Jordanelle Partner Energy	(1,620,019.33)	(1,719,881.52)	(1,476,698.80)	(243,182.72)	16.5%
<u>Salaries, Wages and Benefits (Unallocated)</u>	<u>(1,045,394.78)</u>	<u>(1,147,108.11)</u>	<u>(1,352,331.70)</u>	<u>205,223.59</u>	<u>-15.2%</u>
908.00 - Customer Assistance Expenses	(178,764.35)	(177,160.58)	(181,155.50)	3,994.92	-2.2%
920.00 - Salaries Administrative	(867,472.05)	(948,853.71)	(1,146,176.20)	197,322.49	-17.2%
920.10 - Paid Administrative Leave	-	-	-	-	0.0%
926.00 - Employee Pension and Benefits	21,496.53	-	-	-	0.0%
926.10 - Post-Employment Benefits	(20,654.95)	(21,093.82)	(25,000.00)	3,906.18	-15.6%
926.2 - FICA Benefits	-	-	-	-	0.0%
926.30 - Retirement	0.04	-	-	-	0.0%
926.40 - Actuarial Calculated Pension Expense	-	-	-	-	0.0%
<u>System Maintenance and Training</u>	<u>(4,130,057.53)</u>	<u>(3,761,617.34)</u>	<u>(4,415,663.60)</u>	<u>654,046.26</u>	<u>-14.8%</u>
401.00 - Operations Expense	(331,277.46)	(397,289.49)	(356,770.60)	(40,518.89)	11.4%
401.20 - Training/Travel Expenses	(322,601.47)	(303,286.40)	(313,999.20)	10,712.80	-3.4%
542.00 - Hydro Maintenance	(179,476.62)	(152,733.69)	(183,653.10)	30,919.41	-16.8%
586.00 - Meter Expenses	(43,132.09)	(43,725.58)	(44,141.60)	416.02	-0.9%
591.00 - Maintenance of Lines	(2,315,163.71)	(1,837,810.58)	(2,516,048.30)	678,237.72	-27.0%
592.00 - Maintenance of Substations	(295,184.54)	(383,343.05)	(344,107.70)	(39,235.35)	11.4%
597.00 - Metering Maintenance	(214,889.94)	(259,083.11)	(232,334.90)	(26,748.21)	11.5%
935.00 - Facilities Maintenance	(83,362.64)	(31,193.13)	(65,302.80)	34,109.67	-52.2%
935.30 - IT Maintenance and Support	(344,969.06)	(353,152.31)	(359,305.40)	6,153.09	-1.7%
<u>Depreciation (Unallocated)</u>	<u>(2,818,688.21)</u>	<u>(3,085,045.23)</u>	<u>(2,591,871.60)</u>	<u>(493,173.63)</u>	<u>19.0%</u>
403.00 - Depreciation Expense (unallocated)	(2,818,688.21)	(3,085,045.23)	(2,591,871.60)	(493,173.63)	19.0%
<u>Gas Generaton</u>	<u>(1,342,779.18)</u>	<u>(2,211,932.84)</u>	<u>(1,428,974.20)</u>	<u>(782,958.64)</u>	<u>54.8%</u>
547.00 - Gas Generation Fuel Costs	(923,518.17)	(1,081,122.45)	(1,060,104.80)	(21,017.65)	2.0%
548.00 - Generation Expenses	(419,261.01)	(1,130,810.39)	(368,869.40)	(761,940.99)	206.6%
548.10 - Generation Expenses - Generator	-	-	-	-	
<u>Other</u>	<u>(260,214.44)</u>	<u>(306,629.07)</u>	<u>(305,243.70)</u>	<u>(1,385.37)</u>	<u>0.5%</u>
426.40 - Community Relations	(25,145.62)	(26,500.54)	(33,642.20)	7,141.66	-21.2%
903.23 - Collection Fee / Commissions	(562.24)	(2,879.60)	(656.70)	(2,222.90)	338.5%
910.00 - Misc Customer Related-Expenses	(20,699.70)	-	(42,249.80)	42,249.80	-100.0%
921.40 - Bank & Credit Card Fees	(94,320.70)	(118,183.95)	(108,181.30)	(10,002.65)	9.2%
921.50 - Billing Statement Expenses	(103,104.46)	(124,179.26)	(104,855.60)	(19,323.66)	18.4%
930.20 - Miscellaneous Charges	(16,381.72)	(34,885.72)	(15,658.10)	(19,227.62)	122.8%
<u>Vehicle</u>	<u>(423,109.57)</u>	<u>(421,794.42)</u>	<u>(342,752.30)</u>	<u>(79,042.12)</u>	<u>23.1%</u>
935.20 - Vehicle Expenses	(423,109.57)	(421,794.42)	(342,752.30)	(79,042.12)	23.1%
<u>Office</u>	<u>(136,095.49)</u>	<u>(118,984.52)</u>	<u>(159,939.20)</u>	<u>40,954.68</u>	<u>-25.6%</u>
921.00 - Office Supplies	(16,567.25)	(13,388.89)	(16,483.10)	3,094.21	-18.8%
921.30 - Postage / Shipping Supplies	(3,919.11)	(2,464.23)	(7,400.10)	4,935.87	-66.7%
935.10 - Communications	(115,609.13)	(103,131.40)	(136,056.00)	32,924.60	-24.2%
<u>Energy Rebates</u>	<u>(30,144.07)</u>	<u>(119,411.51)</u>	<u>(79,188.50)</u>	<u>(40,223.01)</u>	<u>50.8%</u>
555.20 - Energy Rebates	(30,144.07)	(119,411.51)	(79,188.50)	(40,223.01)	50.8%
<u>Professional Services</u>	<u>(198,502.79)</u>	<u>(193,265.95)</u>	<u>(204,175.00)</u>	<u>10,909.05</u>	<u>-5.3%</u>
923.00 - Professional Services	(198,502.79)	(193,265.95)	(204,175.00)	10,909.05	-5.3%



HEBER LIGHT & POWER COMPANY
Statements of Revenues, Expenses, and Changes in Net Position
YTD - Periods Ended October 31, 2024 and 2023

	2023 Actual	2024 Actual	2024 Budget	Variance to Budget	% Variance
<u>Materials</u>	<u>(160,827.93)</u>	<u>(206,073.24)</u>	<u>(203,782.30)</u>	<u>(2,290.94)</u>	<u>1.1%</u>
402.00 - Materials	(937.99)	(591.79)	(900.00)	308.21	-34.2%
402.10 - Safety Materials	(140,189.56)	(148,989.20)	(144,720.20)	(4,269.00)	2.9%
402.20 - Materials - Tools	(19,700.38)	(56,492.25)	(58,162.10)	1,669.85	-2.9%
<u>Building Expenses</u>	<u>(40,168.99)</u>	<u>(33,266.11)</u>	<u>(42,582.70)</u>	<u>9,316.59</u>	<u>-21.9%</u>
401.10 - Building Expenses	(40,168.99)	(33,266.11)	(42,582.70)	9,316.59	-21.9%
<u>Bad Debts</u>	<u>(764.88)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.0%</u>
	<u>(764.88)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.0%</u>
<i>Total Operating Expenses</i>	<u><i>(21,936,027.73)</i></u>	<u><i>(23,879,738.58)</i></u>	<u><i>(25,218,057.80)</i></u>	<u><i>1,338,319.22</i></u>	<u><i>-5.3%</i></u>
Operating Income	<u>(254,014.60)</u>	<u>(950,537.01)</u>	<u>(1,905,995.70)</u>	<u>955,458.69</u>	<u>-50.1%</u>
Non-Operating Revenues(Expenses)					
Impact Fees	3,690,621.95	4,057,691.71	2,672,443.00	1,385,248.71	51.8%
Interest Income	1,365,990.66	1,311,153.40	532,410.90	778,742.50	146.3%
Gain(Loss) on Sale of Capital Assets	70,775.00	(17,600.10)	-	(17,600.10)	0.0%
Interest Expense	<u>(1,353,639.29)</u>	<u>(1,137,350.66)</u>	<u>(1,137,350.60)</u>	<u>(0.06)</u>	<u>0.0%</u>
<i>Total Non-Operating Revenues(Expenses)</i>	<u><i>3,773,748.32</i></u>	<u><i>4,213,894.35</i></u>	<u><i>2,067,503.30</i></u>	<u><i>2,146,391.05</i></u>	<u><i>103.8%</i></u>
Contributions(Distributions):					
Contributed Capital	4,561,134.14	8,190,489.70	2,418,907.00	5,771,582.70	238.6%
Distribution to Owners	<u>(75,000.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.0%</u>
<i>Total Contributions(Distributions)</i>	<u><i>4,486,134.14</i></u>	<u><i>8,190,489.70</i></u>	<u><i>2,418,907.00</i></u>	<u><i>5,771,582.70</i></u>	<u><i>238.6%</i></u>
Change in Net Position	8,005,867.86	11,453,847.04	2,580,414.60	8,873,432.44	343.9%
Net Position at Beginning of Year	<u>55,073,749.50</u>	<u>63,758,612.26</u>	<u>63,758,612.26</u>	<u>-</u>	<u>0.0%</u>
Net Position at End of Year	<u>63,079,617.36</u>	<u>75,212,459.30</u>	<u>66,339,026.86</u>	<u>8,873,432.44</u>	<u>13.4%</u>

October - 2024 - HLP Investment/Banking Summary

Investment Statement

Holding	Purpose	09/30 Balance	Activity	Interest	10/31 Balance
PTIF	Reserve Account	14,327,151	17,070	61,357	14,405,578
Zions - General	Main Operations	1,139,460	(777,431)	1,753	363,782
Grand Valley Bank	Equipment Reserve Account	690,972	10,000	1,056	702,028
		16,157,584	(750,361)	64,166	15,471,389
Restricted Holdings					
Zions - Impact Fee	Impact Capital Improvements	25,359	(11,870)	59	13,548
PTIF - CIAC	CIAC Projects	3,453,021	-	14,774	3,467,795
2019 Bond	Project Fund	(0)	-	-	(0)
2012 Bond Escrow	Debt Payment	284,387	30,667	1,128	316,182
2019 Bond Escrow	Debt Payment	478,353	91,229	1,747	571,329
2023 Bond	Project Fund	7,497,062	(981,283)	32,807	6,548,586
2023 Bond Escrow	Debt Payment	876,541	175,292	3,171	1,055,004
					11,972,444
Total Cash and Investments:					27,443,832

Summary of Activity

- PTIF account had standard monthly interest activity, October generator reimbursement.
- General fund seen typical October expenditures and revenues, AP Aging has \$2,659K owed.
- Impact Fee October payments, and interest.
- Grand Valley Bank interest earned, and October fleet deposit.
- Project accounts had standard monthly interest activity, transfers out as shown above.

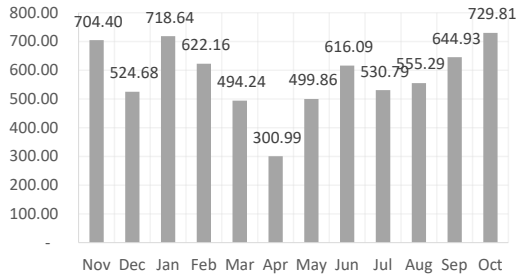
Heber Light & Power 2024 Approved Capital Budget vs Actual

	2024 Budget Total	2024 Actual Total	Prior Years Actual Total	Future Estimate Total	Total Project Estimates	Total Project Actuals	Est. Start	Est. Finish
Upcoming Projects								
Projects Capitalized								
Generation (GL: 344.00)								
Unit UREA Systems (WO 10910)	385	591	1,263	-	1,648	1,854	Jul-2022	Jul-2024
Unit 7 Rewind	-	135	-	-	-	135	Jan-2024	Jul-2024
	385	726			1,648	1,989		
Lines (GL: 361.00)								
CIAC Driven Projects	3,000	5,927	-	-	3,000	5,927	Jan-2024	Dec-2024
	3,000	5,927			3,000	5,927		
Substation (GL: 362.00)								
	-	-			-	-		
Buildings (GL: 390.00)								
	-	-			-	-		
Vehicle (GL: 392.00)								
Fleet Vehicle	180	246	-	1,065	1,245	246	Jan-2024	Dec-2024
Trailer	-	112	-	40	40	112	Jan-2024	Dec-2024
	180	358			1,285	358		
Machinery, Equipment, & Tools (GL:394.00)								
Distribution	143	7	-	425	568	7	Jan-2024	Dec-2024
Generation	15	146	-	-	15	146	Jan-2024	Dec-2024
Facilities	-	66	-	280	280	66	Jan-2024	Dec-2024
	158	219			863	219		
Systems & Technology (GL: 397.00)								
Annual IT Upgrades	120	75	-	640	760	75	Jan-2024	Dec-2024
Metering (GL: 370.00)								
2024 Annual Metering	114	26	-	-	114	26	Jan-2024	Dec-2024
	114	26			114	26		
2024 Capital Plan Totals:	3,957	7,331			7,670	8,594		
Projects - Construction Work in Progress (CWIP)								
Generation (GL: 344.00)								
Annual Generation Capital Improvements	50	-	-	450	500	-	as needed	as needed
Lower Snake Creek Plant Upgrade	5	-	-	45	50	-	as needed	as needed
Upper Snake Creek Capital Improvements	5	-	-	65	70	-	as needed	as needed
Lake Creek Capital Improvements	15	-	-	65	80	-	as needed	as needed
Unit Overhauls (10040)	400	-	-	200	600	-	as needed	as needed
New Generation (Battery, Engine) (WO 10013, 10909)	5,160	475	-	1,500	6,660	475	Fall-22	Dec-2024
Gas Plant 2 XFMR Upgrade	280	-	-	720	1,000	-	Feb-2024	Oct-2025
	5,915	475			8,960	475		
Lines (GL: 361.00)								
Underground System Improvements (WO 5224)	250	127	-	2,594	2,844	127	Jan-2024	Dec-2024
Aged & Environmental Distribution Replacement/Upgrade (WO 5124)	200	160	-	2,201	2,401	160	Jan-2024	Dec-2024
Fault Indicator - Underground System	10	-	-	90	100	-	Jan-2024	Dec-2024
Annexation Asset Purchase	25	-	-	225	250	-	as needed	as needed
Fire Mitigation - Single Phase Reclosers	45	-	-	-	45	-	Jul-2024	Oct-2024
Provo River Substation Get Aways Reconnect to New Site	750	-	-	-	750	-	May-2024	Jun-2025
Eastern Bypass - Cemetery	500	-	-	-	500	-	Jul-2024	Dec-2024
Rebuild PR201_Main Street to Burgi Lane (WO 10906)	700	-	771	-	1,471	771	Apr-21	Dec-2024
	2,480	287			8,361	1,058		
Substation (GL: 362.00)								
2nd Point of Interconnect Substation (WO 10177, 10027)	1,416	2,460	17,389	9,000	27,805	19,849	Jan-2018	May-2024*
Replacement Recloser for Joslyn Reclosers	25	-	-	-	25	-	as needed	as needed
Heber Nitrogen Regulator Upgrade	18	-	-	-	18	-	Mar-2024	Oct-2024
Jailhouse 900kVar Cap Bank	65	-	-	-	65	-	Mar-2024	Nov-2024
Midway Recloser Upgrade	25	-	-	-	25	-	Jun-2024	Oct-2024
Southern Substation (WO 10024)	500	1	-	15,272	15,772	1	Jul-2021	Dec-2026
Gas Plant 1 Interconnection to Heber Substation	200	-	-	500	700	-	Aug-2024	Dec-2026
Heber Relay Upgrade	30	-	-	35	65	-	Jul-2024	Oct-2024
	2,279	2,461			44,475	19,850		
Buildings (GL: 390.00)								
New Office Building (WO 10677)	11,000	4,511	1,338	2,863	15,201	5,849	Jan-2020	June-2025
Generator Fire Suppression System	1,150	-	1,526	-	2,676	1,526	Mar-2024	Nov-2024
	12,150	4,511			17,877	7,375		
Vehicle (GL: 392.00)								
Line/Bucket Truck	350	-	-	1,400	1,750	-	as needed	as needed
Service Truck	200	-	-	1,600	1,800	-	as needed	as needed
	550	-			3,550	-		
Machinery, Equipment, & Tools (GL:394.00)								
Metering	-	-	-	-	-	-	as needed	as needed
Substations	40	-	-	70	110	-	as needed	as needed
	40	-			110	-		
Systems & Technology (GL: 397.00)								
Annual OT Upgrades	30	-	-	1,140	1,170	-	as needed	as needed
Smart Grid Investment	10	-	-	90	100	-	as needed	as needed
AMI Tower - North Village	-	-	-	140	140	-	as needed	as needed
	40	-			1,410	-		
2024 Capital Plan Totals:	23,454	7,734			84,743	28,758		
October Charges:		2,469			2024 Charges:	15,065		

* Second 138-46 kW XFMR in 2029

EV Charger Analytics
as of 10/31/2024

**-CHARGEPOIN+ COMBINED
REVENUE**



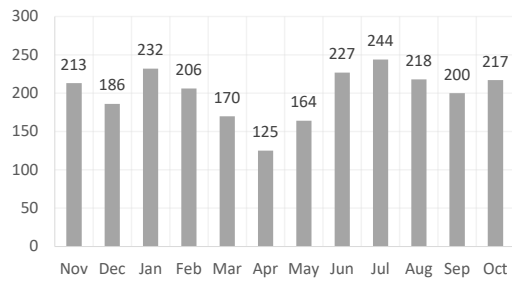
Wasatch High School

	kWh	Sessions	Rev
Nov	1,955.247	78	302.21
Dec	1,081.342	49	162.21
Jan	831.098	41	124.67
Feb	818.828	46	122.81
Mar	646.208	42	96.94
Apr	294.745	21	43.64
May	782.621	41	117.41
Jun	752.576	44	113.41
Jul	696.684	47	104.53
Aug	817.112	52	120.07
Sep	679.617	42	104.43
Oct	770.642	37	115.61

Soldier Hollow Golf Course

	kWh	Sessions	Rev
Nov	90.764	9	13.62
Dec	194.108	17	29.12
Jan	792.940	37	118.94
Feb	272.298	22	40.82
Mar	62.264	11	9.34
Apr	278.453	16	40.38
May	383.617	28	57.55
Jun	774.496	46	117.62
Jul	745.378	47	112.73
Aug	708.298	42	106.15
Sep	453.600	24	68.03
Oct	468.720	28	70.33

**-CHARGEPOIN+ COMBINED
SESSIONS**



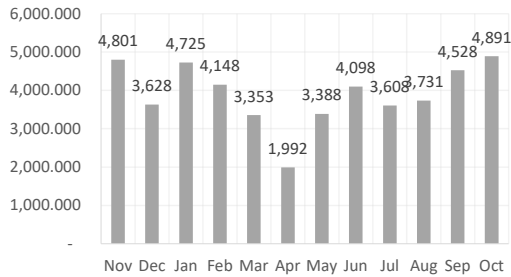
Public Safety Building

	kWh	Sessions	Rev
Nov	909.795	29	127.77
Dec	611.113	30	100.39
Jan	841.755	25	126.24
Feb	266.978	15	40.05
Mar	312.462	15	46.86
Apr	305.132	13	45.39
May	536.408	23	80.45
Jun	449.466	24	56.57
Jul	368.196	32	66.44
Aug	24.086	10	3.60
Sep	-	1	-
Oct	162.004	17	24.30

Midway City Offices

	kWh	Sessions	Rev
Nov	1,093.154	46	163.97
Dec	1,147.261	50	165.12
Jan	1,449.024	67	227.22
Feb	1,769.302	70	265.38
Mar	1,433.550	47	215.05
Apr	598.563	26	85.53
May	1,367.904	43	196.84
Jun	1,485.893	71	235.51
Jul	1,071.165	57	151.85
Aug	1,234.221	49	193.96
Sep	2,041.048	64	306.15
Oct	2,302.279	67	345.13

**-CHARGEPOIN+ COMBINED
ENERGY (KWH)**



Heber City Offices

	kWh	Sessions	Rev
Nov	498.453	27	58.84
Dec	378.107	22	35.60
Jan	235.855	19	35.38
Feb	563.507	26	84.54
Mar	458.561	31	60.01
Apr	194.257	25	37.00
May	215.278	13	32.30
Jun	520.291	32	75.72
Jul	622.911	45	91.20
Aug	694.927	46	93.78
Sep	1,169.534	50	133.91
Oct	878.823	45	128.15

Wasatch County Offices

	kWh	Sessions	Rev
Nov	253.478	24	37.99
Dec	216.35	18	32.24
Jan	574.728	43	86.19
Feb	456.936	27	68.56
Mar	440.394	24	66.04
Apr	320.564	24	49.05
May	102.117	16	15.31
Jun	115.051	10	17.26
Jul	103.336	16	4.04
Aug	252.729	19	37.73
Sep	184.173	19	32.41
Oct	308.468	23	46.29

Prepaid Expenses Activity
as of 10/31/2024

Account Activity

<i>Beginning Balance:</i>		<i>502,823.83</i>
New Prepaid Amounts	561,429.16	
Prepaid Xfers Out (Jan-Oct)	(540,780.75)	
Change in Balance:	20,648.41	
<i>Ending Balance:</i>		<u><u>523,472.24</u></u>

New Prepaids

January

-

February

March

Capture Software	3,000.00
Workers Compensation Premium	49,568.00
ESRI - Mapping Solutions	28,700.00

April

Insurance Renewal	382,112.00
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May

Mini-X Rental	6,750.00
Workers Compensation	4,837.00

June

KnowBe4 Security Awareness Training	4,291.65
Annual Backhoe Rental	6,807.14

July

ProCloud MiVoice	2,772.16
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Aug

Backhoe Lease	12,207.98
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Sept

SENSUS	53,883.23
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Oct

Skid Steer Rental	6,500.00
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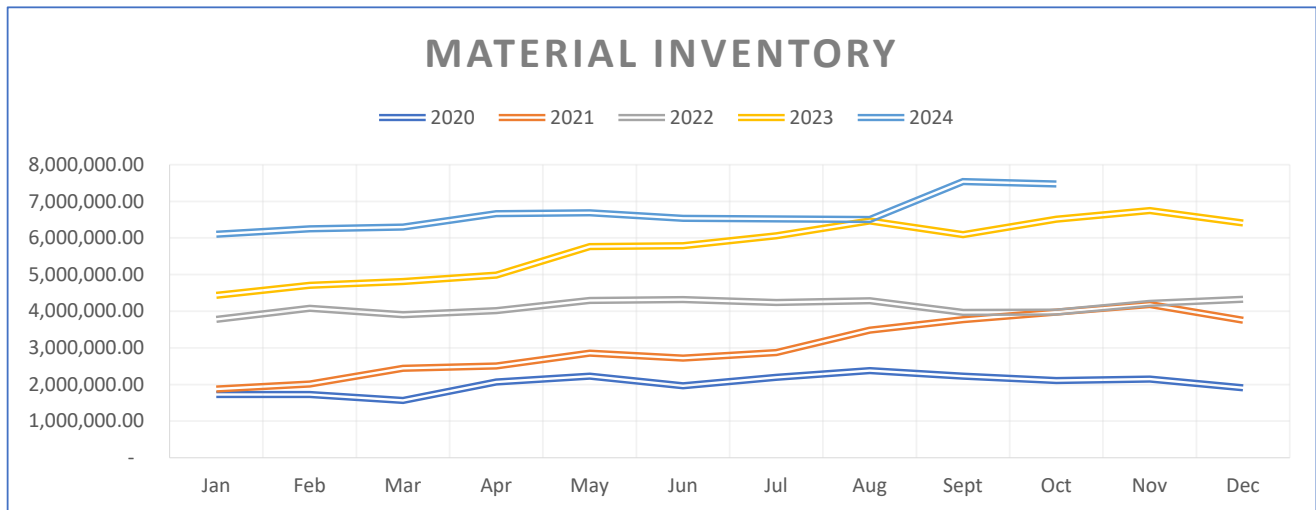
Nov

Dec

January Bond Payments

Inventory
as of 10/31/2024

	2020	2021	2022	2023	2024
Jan	1,728,766.37	1,876,937.53	3,778,430.67	4,434,649.84	6,102,193.05
Feb	1,724,716.01	2,012,415.24	4,081,982.79	4,711,361.66	6,251,147.37
Mar	1,565,215.01	2,442,873.61	3,902,076.95	4,815,227.19	6,300,846.55
Apr	2,066,865.53	2,506,042.19	4,020,050.79	4,986,992.59	6,660,776.38
May	2,229,751.79	2,859,551.36	4,294,115.02	5,767,761.70	6,687,504.16
Jun	1,965,712.29	2,717,905.59	4,317,016.55	5,787,929.69	6,537,416.12
Jul	2,195,774.62	2,868,558.09	4,241,175.30	6,063,140.93	6,518,408.24
Aug	2,379,717.31	3,480,918.77	4,288,987.67	6,467,051.69	6,503,028.42
Sept	2,226,443.13	3,771,207.98	3,971,466.47	6,089,668.24	7,539,567.55
Oct	2,106,447.02	3,973,984.50	3,973,358.34	6,511,174.81	7,471,624.20 **
Nov	2,151,167.13	4,183,177.91	4,217,668.66	6,748,276.42	
Dec	1,908,637.41	3,757,131.63	4,326,309.61	6,406,955.09	



**

4,333,542.04 Reserved for CIAC Projects
1,047,659.89 Reserved for HLP Capital Projects
2,090,422.28 Ready Stores for OMAG Purposes

Open Miscellaneous Receivable Invoices
as of 10/31/2024

Customer	Purpose	Period	Amount
Salt Lake Excavating	Damage Claim	Nov-23	3,274.43
EVCO Development	Line Extension	Dec-23	4,659.16
KCI Telecom Division	Line Extension	Feb-24	7,071.42
Brian Myers	Damage Claim	Jun-24	3,137.36
Wheeler Machinery	Fuel Subsidy	Jun-24	43,513.80
Farm Bureau Property	Line Extension	Aug-24	1,360.00
Lythgoe Design Group	Line Extension	Sep-24	19,582.50
Bird Homes	Line Extension	Oct-24	3,513.00
			<hr/>
			86,111.67

October - 2024_ Actual versus Estimate

Work Order	Project Description	Open Date	Closed Date	Actual Costs	Estimate	CIAC	Network Upgrade
29516 - Kimball Villas & Covington Senior Living	Line Extension	7/22/2021	10/31/2024	225,923.31	211,034.59	(211,334.59)	31,771.49
32134 - Flying Hawk Subdivision	Line Extension	2/1/2022	10/31/2024	70,554.11	64,265.91	(64,565.91)	11,429.47
37968 - 4 Plex / 242 S 100 W	Line Extension	4/12/2023	10/31/2024	5,104.37	6,724.18	(7,024.14)	-
39266 - New London Roundabout 550 E Improvement	Line Extension	6/29/2023	10/31/2024	95,488.99	75,828.54	(75,828.54)	25,726.73
40049 - Sawmill PH 2B	Line Extension	8/10/2023	10/31/2024	86,601.33	62,829.45	(103,684.89)	-
43063 - 9640 E Ridge Pine Dr lot 1109	Line Extension	1/3/2024	10/31/2024	2,537.28	4,442.36	(4,090.95)	-
43064 - Jordanelle Ridge 21 B Phase 3	Line Extension	1/3/2024	10/31/2024	103,206.39	122,229.83	(122,529.79)	-
43100 - Jordanelle Ridge 21B Phase 2	Line Extension	1/5/2024	10/31/2024	107,705.87	139,496.71	(139,805.64)	-
43695 - 10226 Lake Pines Dr 200 amp service	Line Extension	2/20/2024	10/31/2024	4,300.04	4,401.95	(4,701.94)	-
44681 - Heber Hangar Complex 600 amp service	Line Extension	4/4/2024	10/31/2024	28,719.98	32,378.21	(32,678.22)	-
45580 - Johnson Barn 3875 Greener Hills Dr	Line Extension	5/20/2024	10/31/2024	4,567.30	7,169.31	(7,469.30)	-
46274 - 2071 S Winterton Cir 400 amp service	Line Extension	6/24/2024	10/30/2024	8,118.57	5,541.12	(5,943.61)	3,020.74

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Accounts Payable Check Register

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10/01/2024 To 10/31/2024

Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div	Account	Dept	Actv		
2491 10/1/24	WIRE	688	EQUITABLE						8,078.13
1615621			Oct 24 Dental and Life Insurance Premiu	0	926.0	1	12	8,078.13	
2495 10/1/24	WIRE	268	BRENDA CHRISTENSEN						475.32
OCT24 STIPEND			Oct 2024 HLP Board Stipend	0	920.0	1	180	475.32	
2497 10/3/24	WIRE	276	CIMA ENERGY, LP						94,873.35
0924-291562-1			HLP Sept Fuel Purchases	0	547.0	4	140	94,873.35	
2498 10/3/24	WIRE	1322	HEALTH EQUITY						867.00
OCT3RDTRUEUP			New Employee Contribution	0	926.0	1	12	867.00	
2499 10/2/24	WIRE	1322	HEALTH EQUITY						22,125.00
4THQTRFUNDING2024			4th Quarter HSA Funding	0	926.0	1	12	22,125.00	
2504 10/8/24	WIRE	965	STATE TAX COMMISSION-W/H						17,659.17
SEPT24 WH			Sept State Payroll Withholding	0	241.2	0	460	17,659.17	
2507 10/9/24	WIRE	406	FASTENAL COMPANY						783.33
UTLIN179105			Absorbent Roll	0	548.0	4	375	783.33	
2508 10/9/24	WIRE	406	FASTENAL COMPANY						1,708.62
UTLIN179106			Generation Supplies	0	548.0	4	375	1,708.62	
2509 10/9/24	WIRE	406	FASTENAL COMPANY						387.90
UTLIN179107			Vending Machine Issuances	0	402.1	1	420	41.91	
			Vending Machine Issuances	0	402.1	2	420	41.92	
			Vending Machine Issuances	0	591.0	2	420	280.38	
			Vending Machine Issuances	0	592.0	3	420	23.69	
Total for Check/Tran - 2509:									387.90
2510 10/17/24	WIRE	558	UNITED STATES TREASURY						51,189.62
20241016111943001			PL Federal Withholding-Married	0	241.1	0	0	8,439.90	
			PL Federal Withholding-Single	0	241.1	0	0	11,653.20	
			PL Medicare-Employee	0	926.2	1	0	2,947.05	
			PL Medicare-Employer	0	926.2	1	0	2,947.05	

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Accounts Payable Check Register

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10/01/2024 To 10/31/2024

Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr	Amount	Amount
Invoice			GL Reference	Div Account	Dept	Actv				
			PL Social Security-Employee	0 926.2	1	0			12,601.21	
			PL Social Security-Employer	0 926.2	1	0			12,601.21	
Total for Check/Tran - 2510:										51,189.62
2511 10/17/24	WIRE	1322	HEALTH EQUITY							3,305.44
20241016111943002			PL Employee HSA Contributions	0 243.0	0	0			3,305.44	
2512 10/17/24	WIRE	1065	UTAH STATE RETIREMENT							45,811.18
20241016111943003			PL Employee 401k Deferral	0 242.4	0	0			4,936.31	
			PL Employee 457 Deferral	0 242.4	0	0			1,645.47	
			PL Employee Roth IRA Deferrals	0 242.4	0	0			1,380.00	
			PL URS Tier 2 Hybrid Employee Contributi	0 926.3	0	0			569.00	
			PL URS Employer 401k Contribution	0 926.3	1	12			3,270.39	
			PL URS Tier 1	0 926.3	1	12			17,341.80	
			PL URS Tier 2	0 926.3	1	12			15,330.07	
			PL URS Loan Repayment	0 930.2	1	0			1,338.14	
Total for Check/Tran - 2512:										45,811.18
2515 10/25/24	WIRE	964	STATE TAX COMMISSION-SALES							92,292.60
SEPT2024SALESTAX			September Sales Tax Submission	0 241.0	0	316			92,292.60	
2516 10/17/24	WIRE	910	SENSUS USA INC							30,200.00
ZZ24002577			PO Material received	0 154.0	0	0			30,200.00	
2517 10/24/24	WIRE	406	FASTENAL COMPANY							164.84
UTLIN179262			Curved squeegee, Headset	0 548.0	4	375			164.84	
2518 10/24/24	WIRE	406	FASTENAL COMPANY							410.67
UTLIN179261			Sorbent pillow	0 548.0	4	375			410.67	
2519 10/24/24	WIRE	406	FASTENAL COMPANY							43.60
UTLIN179260			Gloves	0 548.0	4	375			43.60	
2520 10/24/24	WIRE	406	FASTENAL COMPANY							391.91
UTLIN179259			Vending Machine Issuances	0 402.2	2	420			133.02	
			Vending Machine Issuances	0 402.2	3	420			62.34	
			Vending Machine Issuances	0 402.2	5	420			62.34	

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Accounts Payable Check Register

Page 3

10/01/2024 To 10/31/2024

Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger					
Invoice			GL Reference	Div Account	Dept	ActvBU Project	Distr Amount		Amount
			Vending Machine Issuances	0 591.0	2	420	55.01		
			Vending Machine Issuances	0 592.0	3	420	33.06		
			Vending Machine Issuances	0 921.0	1	420	46.14		
Total for Check/Tran - 2520:									391.91
2522 10/3/24	WIRE	558	UNITED STATES TREASURY						51,595.26
20241002150305001			PL Federal Withholding-Married	0 241.1	0	0	8,944.27		
			PL Federal Withholding-Single	0 241.1	0	0	11,381.71		
			PL Medicare-Employee	0 926.2	1	0	2,963.42		
			PL Medicare-Employer	0 926.2	1	0	2,963.42		
			PL Social Security-Employee	0 926.2	1	0	12,671.22		
			PL Social Security-Employer	0 926.2	1	0	12,671.22		
Total for Check/Tran - 2522:									51,595.26
2523 10/3/24	WIRE	1322	HEALTH EQUITY						3,305.44
20241002150305002			PL Employee HSA Contributions	0 243.0	0	0	3,305.44		
2524 10/3/24	WIRE	1065	UTAH STATE RETIREMENT						46,070.28
20241002150305003			PL Employee 401k Deferral	0 242.4	0	0	4,991.49		
			PL Employee 457 Deferral	0 242.4	0	0	1,643.97		
			PL Employee Roth IRA Deferrals	0 242.4	0	0	1,380.00		
			PL URS Tier 2 Hybrid Employee Contributi	0 926.3	0	0	581.31		
			PL URS Employer 401k Contribution	0 926.3	1	12	3,297.75		
			PL URS Tier 1	0 926.3	1	12	17,285.86		
			PL URS Tier 2	0 926.3	1	12	15,551.76		
			PL URS Loan Repayment	0 930.2	1	0	1,338.14		
Total for Check/Tran - 2524:									46,070.28
2525 10/25/24	WIRE	910	SENSUS USA INC						30,200.00
ZZ24002670			PO Material received	0 154.0	0	0	30,200.00		
2526 10/29/24	WIRE	406	FASTENAL COMPANY						170.77
UTLIN179369			4" Grit Discs	0 548.0	4	375	170.77		
2527 10/29/24	WIRE	406	FASTENAL COMPANY						145.26
UTLIN179370			Vending Machine Issuances	0 402.1	2	420	16.73		
			Vending Machine Issuances	0 402.1	8	420	109.81		

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger				
Invoice			GL Reference	Div Account	Dept	ActvBU Project	Distr Amount	Amount
			Vending Machine Issuances	0 592.0	3	420	18.72	
							Total for Check/Tran - 2527:	145.26
2530 10/31/24	WIRE	760	ZIONS CREDIT CARD ACCT					25,302.28
OCT 2024			New Bldg Code reveiw	0 107.0	0	100	345.00	
			2024 Public Power Salary Survey report	0 401.0	1	95	75.00	
			Elementor Subscription	0 401.0	5	374	49.00	
			NWPPA Board Meeting Bart Miller	0 401.2	1	185	433.84	
			SEL Training Patricio Hernandez	0 401.2	1	185	1,687.37	
			SEL Training Patricio Hernandez	0 401.2	1	390	1,500.00	
			SHRM Annual Conference Karly	0 401.2	1	390	1,995.00	
			NWPPA Board Meeting Airport Parking Bart	0 401.2	1	415	31.00	
			NWPPA Board Meeting Uber Miller	0 401.2	1	415	19.95	
			Guard First Aid Supplies	0 402.1	1	120	10,465.00	
			Boots Crosland	0 402.1	2	20	171.60	
			FR Clothing Jake Parcell	0 402.1	3	125	416.85	
			Lineman tools	0 402.2	2	155	96.96	
			Underground Cable Cutter	0 402.2	2	260	1,400.75	
			Rotabroach annular cutter	0 402.2	4	155	43.99	
			Neighbors of Heber Valley	0 426.4	1	5	700.60	
			Public Power Lunch	0 426.4	1	285	81.61	
			Public Power Week Lunch	0 426.4	1	285	12.49	
			Public Power Week Lunch Patricio/Emily	0 426.4	1	285	36.66	
			Gel Pens WO 800	0 548.0	4	235	41.74	
			HSS 2 and 4 Flute end mills	0 548.0	4	235	90.95	
			Disposable gloves	0 548.0	4	375	77.05	
			Slings for the Line trucks	0 591.0	2	235	103.60	
			USB/DVD Drives for Drone	0 591.0	2	235	224.02	
			Dog bones for office	0 921.0	1	375	14.98	
			Invertor to charge laptop Patricio	0 921.0	1	375	70.99	
			envelopes for Karly	0 921.0	1	375	20.99	
			Tables	0 930.2	1	410	575.84	
			lunch for taking trucks to auction	0 930.2	1	410	87.28	
			Allwest October Payment	0 935.1	6	175	1,153.13	
			Amazon Web Service	0 935.1	6	175	37.81	
			AT&T Firstnet Payment	0 935.1	6	245	3,109.67	
			Trailer 571 repair parts	0 935.2	4	235	131.56	
							Total for Check/Tran - 2530:	25,302.28

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger							
Invoice			GL Reference	Div	Account	Dept	Actv	BU	Project	Distr	Amount
2532 10/31/24	WIRE	406	FASTENAL COMPANY								306.66
UTLIN179474			Vending Machine Issuances	0	402.1	1	420			49.18	
			Vending Machine Issuances	0	402.1	2	420			49.17	
			Vending Machine Issuances	0	402.1	5	420			3.51	
			Vending Machine Issuances	0	402.1	8	420			41.96	
			Vending Machine Issuances	0	402.2	2	420			96.41	
			Vending Machine Issuances	0	591.0	2	420			39.38	
			Vending Machine Issuances	0	592.0	3	420			8.44	
			Vending Machine Issuances	0	921.0	1	420			11.41	
			Vending Machine Issuances	0	935.3	6	420			7.20	
Total for Check/Tran - 2532:											306.66
2533 10/31/24	WIRE	276	CIMA ENERGY, LP								100,195.45
1024-302175-1			HLP Oct Fuel Purchases	0	547.0	4	140			100,195.45	
2534 10/31/24	WIRE	558	UNITED STATES TREASURY								52,067.10
20241030122006001			PL Federal Withholding-Married	0	241.1	0	0			8,738.02	
			PL Federal Withholding-Single	0	241.1	0	0			11,722.92	
			PL Medicare-Employee	0	926.2	1	0			3,004.37	
			PL Medicare-Employer	0	926.2	1	0			3,004.37	
			PL Social Security-Employee	0	926.2	1	0			12,798.71	
			PL Social Security-Employer	0	926.2	1	0			12,798.71	
Total for Check/Tran - 2534:											52,067.10
2535 10/31/24	WIRE	1322	HEALTH EQUITY								3,305.44
20241030122006002			PL Employee HSA Contributions	0	243.0	0	0			3,305.44	
2536 10/31/24	WIRE	1065	UTAH STATE RETIREMENT								46,125.51
20241030122006003			PL Employee 401k Deferral	0	242.4	0	0			4,918.47	
			PL Employee 457 Deferral	0	242.4	0	0			1,643.97	
			PL Employee Roth IRA Deferrals	0	242.4	0	0			1,380.00	
			PL URS Tier 2 Hybrid Employee Contributi	0	926.3	0	0			571.54	
			PL URS Employer 401k Contribution	0	926.3	1	12			3,296.91	
			PL URS Tier 1	0	926.3	1	12			17,636.80	
			PL URS Tier 2	0	926.3	1	12			15,339.68	
			PL URS Loan Repayment	0	930.2	1	0			1,338.14	

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger							
Invoice			GL Reference	Div	Account	Dept	Actv	BU	Project	Distr Amount	Amount
Total for Check/Tran - 2536:											46,125.51
9399 10/11/24	DD	87	MCMaster-CARR								0.00
34458277			Credit for INV 34044856	0	548.0	4	375			-35.76	
34572447			Steel pipe fitting, tank adapter	0	107.0	0	235			35.76	
Total for Check/Tran - 9399:											0.00
67523 10/2/24	CHK	1	STUDIO ARTISTIC								875.00
93024			Fire Pit Grill Grate and Cover	0	935.0	1	340			875.00	
67524 10/4/24	CHK	1	WEST COAST CODE CONSULTANTS								460.00
UT24-500B-239			Plan review services (2nd review)	0	107.0	0	100			460.00	
67525 10/4/24	CHK	11	VESTIS								269.55
4583364117			Coverall Rental	0	402.1	4	125			53.91	
4583366564			Coverall Rental	0	402.1	4	125			53.91	
4583370057			Coverall Rental	0	402.1	4	125			53.91	
4583372921			Coverall Rental	0	402.1	4	125			53.91	
4583375294			Coverall Rental	0	402.1	4	125			53.91	
Total for Check/Tran - 67525:											269.55
67526 10/4/24	CHK	52	LEE'S MARKETPLACE HEBER								129.49
52932			Public Power Week	0	426.4	1	285			129.49	
67527 10/4/24	CHK	63	BIG O TIRES #4264								24.95
044264-16775			Truck 267 Flat repair	0	935.2	4	340			24.95	
67528 10/4/24	CHK	87	MCMaster-CARR								1,450.44
34044856			Lockers for Generation	0	548.0	4	375			1,013.76	
34269088			Lockers for Generation	0	548.0	4	375			436.68	
Total for Check/Tran - 67528:											1,450.44
67529 10/4/24	CHK	261	CENTURYLINK								124.47
333474355SEPT24			Sept-2024 Landline Phone Service	0	935.1	6	245			124.47	

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div Account	Dept	Actv			
67530 10/4/24	CHK	267	CHARLESTON TOWN						3,195.35
0924-FRANCHISE			Franchise Tax Collection Remittance	0 241.5	0	0		3,195.35	
67531 10/4/24	CHK	323	DANIEL TOWN						1,999.05
0924-FRANCHISE			Franchise Tax Collection Remittance	0 241.6	0	0		1,999.05	
67532 10/4/24	CHK	428	FREEDOM MAILING						5,560.81
48726			Sept Cycle 1 Billing Statements	0 921.5	1	55		5,560.81	
67533 10/4/24	CHK	480	HEBER CITY CORPORATION						72,111.38
0924-FRANCHISE			Franchise Tax Collection Remittance	0 241.3	0	0		70,552.82	
OCT24 STIPEND			Aaron Cheatwood HLP Board Stipend	0 920.0	1	180		475.32	
			Heidi Franco HLP Board Stipend	0 920.0	1	180		607.92	
			Sid Ostergaard HLP Board Stipend	0 920.0	1	180		475.32	
Total for Check/Tran - 67533:									72,111.38
67534 10/4/24	CHK	484	HEBER LIGHT & POWER CO						10,000.00
OCT24 RESERVE			Monthly Reserve Funding	0 131.2	0	0		10,000.00	
67535 10/4/24	CHK	562	STAKER PARSON MATERIALS & CONST						364.90
6457735			Gravel for Firepit Lower Snake Creek	0 935.0	1	375		364.90	
67536 10/4/24	CHK	624	LABRUM FORD						61,609.60
145863			Blink 120kW DCFC Charger	0 107.0	0	235		61,609.60	
67537 10/4/24	CHK	635	RECYCLOPS						24.00
8525DE9-0012			Aug 2024 Recycling Pickups	0 401.1	1	295		24.00	
67538 10/4/24	CHK	637	VALLEY HARDWARE						51.26
2590/1			Jail House Clean-up maint	0 592.0	3	187		51.26	
67539 10/4/24	CHK	705	MIDWAY CITY OFFICES						28,943.00
0924-FRANCHISE			Franchise Tax Collection Remittance	0 241.4	0	0		28,943.00	
67540 10/4/24	CHK	736	PROTELESIS CORPORATION						516.12
I-100641			Sept 2024 SIP Support	0 935.1	6	245		516.12	

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger						
Invoice			GL Reference	Div	Account	Dept	Actv	BU Project	Distr Amount	Amount
67541 10/4/24	CHK	777	MONTROSE AIR QUALITY SERVICES, L							9,600.00
CINV-311243			Unit 1 Compliance testing	0	548.1	4	85		4,800.00	
			Unit 8 Compliance testing	0	548.1	4	85		4,800.00	
Total for Check/Tran - 67541:										9,600.00
67542 10/4/24	CHK	892	SAFETY-KLEEN SYSTEMS, INC							596.03
95308294			Parts Washer Oil Recovery	0	548.0	4	220		596.03	
67543 10/4/24	CHK	903	SCHWEITZER ENGINEERING LABS IN							35.09
INV-001019678			C964#0101 (C964-003)	0	592.0	3	235		35.09	
67544 10/4/24	CHK	908	SECURITY INSTALL SOLUTIONS, INC							240.00
I-9972			October Brivo OnAir Hosting	0	935.3	6	330		240.00	
67545 10/4/24	CHK	1014	TIMBERLINE GENERAL STORE							324.67
178071			Rodent traps	0	935.0	1	375		12.97	
178094			Nails,screws,staples	0	591.0	2	235		8.07	
178110			Air Filters for warehouse	0	935.0	1	187		58.95	
178560			Parts for WO 37968	0	107.0	0	235		53.71	
178856			2 shovels	0	402.2	4	155		47.98	
178709			Broom, cleaner, sprayer	0	592.0	3	375		38.57	
178792			Linzer brush set	0	592.0	3	235		6.59	
FINANCE CHARGE 0824			Finance charge for August	0	591.0	2	350		1.00	
178331			Putty knives	0	592.0	3	375		5.58	
178907			Truck 278 Tie downs	0	935.2	4	235		90.25	
FINANCE CHARGE 0924			Finance Charge for September	0	591.0	2	350		1.00	
Total for Check/Tran - 67545:										324.67
67546 10/4/24	CHK	1038	UAMPS							914,362.50
HLP-0824			August 2024 Energy Usage payment	0	555.0	5	455		914,362.50	
67547 10/4/24	CHK	1091	WASATCH AUTO PARTS							456.91
305718			Truck 253 Interior & glass cleaner	0	935.2	4	187		15.98	

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger					
Invoice			GL Reference	Div Account	Dept	ActvBU Project	Distr Amount	Amount	
305827			Oil & battery for pressure washer	0 548.0	4	375	125.55		
305869			Spray grease for lineshop	0 935.0	1	375	18.58		
305901			Jug, brushes	0 548.0	4	375	60.93		
305905			Oil-Dri absorbent	0 592.0	3	375	65.94		
305923			Rags, Oil-Dri, cleaning towels	0 592.0	3	375	169.93		
Total for Check/Tran - 67547:								456.91	
67548 10/4/24	CHK	1095	WASATCH COUNTY						475.32
OCT24 STIPEND			Oct 2024 HLP Board Stipend	0 920.0	1	180	475.32		
67549 10/4/24	CHK	1100	WASATCH COUNTY SOLID WASTE						627.00
8080			Dump run Lower Snake Creek	0 542.0	8	187	20.00		
8254			Roll off Container Weighed Load	0 591.0	2	187	507.00		
8540			Dump Run	0 935.0	1	187	20.00		
8553			Dump Run	0 935.0	1	187	20.00		
9013			Dump Run	0 935.0	1	187	20.00		
9478			Dump Run	0 935.0	1	187	20.00		
9498			Dump Run	0 935.0	1	187	20.00		
Total for Check/Tran - 67549:								627.00	
67550 10/4/24	CHK	1131	WHEELER MACHINERY CO.						137.25
PS001765246			Unit 4 rebuild misc parts	0 107.0	0	235	137.25		
67551 10/4/24	CHK	1178	ZIPLOCAL						29.00
ZIPLOCAL-14199			September Yellow Pages Posting	0 935.1	6	245	29.00		
67552 10/4/24	CHK	1237	BURT BROTHERS						101.59
1220007401			Truck 268 Alignment & Tire rotation	0 935.2	4	340	101.59		
67553 10/4/24	CHK	1425	GOVERNMENT LEASING & FINANCE IN						152,165.39
538324161			Annual Generator Lease payments	0 227.0	0	0	140,052.56		
			Annual Generator Lease Interest payments	0 427.0	0	470	12,112.83		
Total for Check/Tran - 67553:								152,165.39	

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Invoice			GL Reference	Div	Account	Dept	Actv	BU	Project	Distr	Amount
67554 10/11/24	CHK	2	JAMES BEVAN								21.14
20241010114702862			Credit Balance Refund 10988001	0	142.99	0	0			21.14	
67555 10/11/24	CHK	2	BILL LEFLER								274.39
20241008155311285			Credit Balance Refund 16951001	0	142.99	0	0			274.39	
67556 10/11/24	CHK	262	CENTURYLINK - DATA SERVICES								2,508.88
704779187			Sept 2024 IP & Data Service	0	935.1	6	175			2,508.88	
67557 10/11/24	CHK	432	FUGATE INDUSTRIAL SALES								3,136.80
925361			Unit 13 expansion joint	0	548.1	4	235			3,136.80	
67558 10/11/24	CHK	480	HEBER CITY CORPORATION								942.34
10.23970.1 SEP24			Sept 2024 Heber Substation Water/Sewer	0	401.1	1	405			45.29	
10.24625.1 SEP24			Sept 24 Operations Water/Sewer	0	401.1	1	405			46.38	
10.24630.1 SEP24			Sept 2024 Line Shop Water/Sewer	0	401.1	1	405			164.26	
9.22740.1 SEP24			Sept 2024 Office Water/Sewer	0	401.1	1	405			181.19	
10.24620.1 SEP24			Sept 2024 Operations Water/Sewer	0	401.1	1	405			184.25	
20.02049.0 SEP24			Sept 2024 Cowboy Village Water / Sewer	0	401.1	1	405			320.97	
Total for Check/Tran - 67558:										942.34	
67559 10/11/24	CHK	611	JOSH GILES								142.65
SURVELANT 0924			Survelant airport parking, uber	0	401.2	3	0			142.65	
67560 10/11/24	CHK	698	LYTHGOE DESIGN GROUP, INC								7,164.45
2694			New Building Project - Aug 2024	0	107.0	0	100			7,164.45	
67561 10/11/24	CHK	740	IRBY CO.								925,610.20
S013973411.010			PO Material received	0	154.0	0	0			50,400.00	
S014036455.006			PO Material received	0	154.0	0	0			670.00	
S014064493.001			PO Material received	0	154.0	0	0			1,116.00	
S014025460.004			PO Material received	0	154.0	0	0			2,960.00	
S014061060.001			Glove Testing	0	402.1	2	265			1,071.10	
S014057850.001			PO Material received	0	154.0	0	0			190.00	

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger					
Invoice			GL Reference	Div Account	Dept	ActvBU Project	Distr Amount	Amount	
S014054615.002			PO Material received	0 154.0	0	0	83,923.00		
S014033675.001			PO Material received	0 591.0	2	0	24,696.00		
S014050064.002			PO Material received	0 154.0	0	0	658.50		
S014056580.001			PO Material received	0 154.0	0	0	1,650.00		
S013689671.025			PO Material received	0 154.0	0	0	34,800.00		
S014050064.001			PO Material received	0 154.0	0	0	450.00		
S014054726.001			PO Material received	0 154.0	0	0	604.40		
S014054615.004			PO Material received	0 154.0	0	0	375.00		
S014054615.001			PO Material received	0 154.0	0	0	25,203.70		
S013926833.015			PO Material received	0 154.0	0	0	19,600.00		
S013689671.024			PO Material received	0 154.0	0	0	87,000.00		
S014044551.003			PO Material received	0 154.0	0	0	3,150.00		
S014054615.003			PO Material received	0 154.0	0	0	9,800.00		
S013973411.011			PO Material received	0 154.0	0	0	356,867.50		
S013773877.005			PO Material received	0 154.0	0	0	18,300.00		
S013736729.008			PO Material received	0 154.0	0	0	1,650.00		
S013825055.006			PO Material received	0 154.0	0	0	825.00		
S014056134.001			PO Material received	0 154.0	0	0	1,550.00		
S013926239.012			PO Material received	0 154.0	0	0	19,600.00		
S013738647.017			PO Material received	0 154.0	0	0	18,300.00		
S013835747.002			Switch Gear, Cabinets	0 591.0	2	235	18,300.00		
S013689352.006			PO Material received	0 154.0	0	0	87,000.00		
S013835747.001			PO Material received	0 154.0	0	0	54,900.00		
Total for Check/Tran - 67561:							925,610.20		
67562 10/11/24	CHK	777	MONTROSE AIR QUALITY SERVICES, L						400.00
CINV-315990			Reports for Unit 1	0 548.1	4	85	200.00		
			Reports for Unit 8	0 548.1	4	85	200.00		
Total for Check/Tran - 67562:							400.00		
67563 10/11/24	CHK	825	LINDE GAS & EQUIPMENT INC						123.50
45279546			Cylinder Rental 8/20/24-9/20/24	0 592.0	3	375	79.75		

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger					
Invoice			GL Reference	Div Account	Dept	ActvBU Project	Distr Amount		Amount
45313035			Cylinder Rental 8/20/24-9/20/24	0 592.0	3	375	43.75		
Total for Check/Tran - 67563:									123.50
67564 10/11/24	CHK	864	MVC CONST. CO. INC						9,044.14
2			Subdivision Road Work	0 107.0	0	47	9,044.14		
67565 10/11/24	CHK	903	SCHWEITZER ENGINEERING LABS IN						50.43
INV-001022304			SEL-C964 Coaxial Cable	0 591.0	2	235	50.43		
67566 10/11/24	CHK	1007	UPS STORE						538.81
12368			10177 part return	0 107.0	0	235	15.10		
12408			Irby - Gloves	0 402.1	2	265	523.71		
Total for Check/Tran - 67566:									538.81
67567 10/11/24	CHK	1091	WASATCH AUTO PARTS						243.07
306339			Oil Dry for JailHouse Sub	0 592.0	3	375	95.92		
306361			Brake parts cleaner (24)	0 107.0	0	235	110.16		
306436			Truck 271 Ratchet Tie Down	0 935.2	4	235	36.99		
Total for Check/Tran - 67567:									243.07
67568 10/11/24	CHK	1131	WHEELER MACHINERY CO.						2,500.00
PS001770354			LA CAT Training - Logan Ulibarri	0 401.2	4	390	2,500.00		
67570 10/11/24	CHK	1145	PEHP GROUP INSURANCE FLEX						734.65
FLEX 10/3/24			Employee FSA Contributions	0 243.0	0	12	734.65		
67571 10/11/24	CHK	1188	WELLABLE LLC						195.00
29650			October 2024 Wellness Program	0 930.2	1	410	195.00		
67572 10/11/24	CHK	1197	UTAH DEPT OF WORKFORCE SERVICES						53.31
R 4-910220-0 SEPT24			Unemployment Insurance claim J Quick	0 920.0	1	12	53.31		
67573 10/11/24	CHK	1198	KEVIN PAYNE						475.32
OCT24 STIPEND			Oct 2024 HLP Board Stipend	0 920.0	1	180	475.32		

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger							
Invoice			GL Reference	Div	Account	Dept	Actv	BU	Project	Distr	Amount
67574 10/11/24	CHK	1280	STEVEN HENNING								125.00
PHYSICALREIMB1024			DOT Physical Reimbursement	0	401.0	2	95			125.00	
67575 10/11/24	CHK	1472	BART MILLER								280.38
NWPPA PER DIEM1024			NWPPA Board Meeting PerDiem	0	401.2	1	240			172.50	
			NWPPA Board Meeting Mileage	0	401.2	1	415			107.88	
Total for Check/Tran - 67575:											280.38
67576 10/18/24	CHK	1	AARON LOERTSCHER								1,800.00
LOERTSCHER 1024			Tier 3 Dual Fuel Heat pump rebate	0	555.2	1	160			1,800.00	
67577 10/18/24	CHK	1	CLIFF NONNENMAHER								75.00
NONNENMACHER 1024			Thermostat rebate	0	555.2	1	385			75.00	
67578 10/18/24	CHK	1	DANIEL TURNER								550.00
TURNER REBATE 1024			Tier 2 Air conditioner rebate	0	555.2	1	160			550.00	
67579 10/18/24	CHK	1	STACEY LATUS								150.00
LATUS REBATE 1024			(2) Smart thermostat rebate	0	555.2	1	385			150.00	
67580 10/18/24	CHK	1	STEVE ANDERSON								2,939.22
INSURANCE CLAIM 0924			Insurance Claim reimbursement	0	930.2	1	410			2,939.22	
67581 10/18/24	CHK	1	THOMAS L HAROWITZ								1,700.00
HAROWITZ REBATE1024			Multi-head Ductless Heat pump rebate	0	555.2	1	160			1,700.00	
67582 10/18/24	CHK	52	LEE'S MARKETPLACE HEBER								238.23
52628			Lineman Cooler Drinks	0	591.0	2	375			89.90	
53043			Employee Lunch & Learn	0	930.2	1	410			148.33	
Total for Check/Tran - 67582:											238.23
67583 10/18/24	CHK	63	BIG O TIRES #4264								427.96
044264-18381			Trailer 636 tire repair	0	935.2	4	340			140.18	
044264-18307			Truck 252 Tire repair	0	935.2	4	340			287.78	
Total for Check/Tran - 67583:											427.96

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger							
Invoice			GL Reference	Div	Account	Dept	Actv	BU	Project	Distr	Amount
67584 10/18/24	CHK	87	MCMaster-CARR								85.28
34458277			Credit for INV 34044856	0	548.0	4	375			-409.83	
34711070			Pipe fitting,galvanized iron,connector	0	107.0	0	235			287.07	
34989328			Shut off valves	0	107.0	0	235			208.04	
Total for Check/Tran - 67584:											85.28
67585 10/18/24	CHK	105	A T & T								66.65
0512678562001OCT24			October 2024 Phone Service	0	935.1	6	245			66.65	
67586 10/18/24	CHK	386	BORDER STATES INDUSTRIES INC.								1,347.75
929085308			Line Tools	0	402.2	2	260			134.11	
929085320			Aluminum entrance cap	0	107.0	0	235			120.06	
929116874			bolt for light hung at Police Station	0	591.0	2	235			1.63	
929124797			Light bulbs for Warehouse	0	935.0	1	375			37.76	
929133082			ACV Dectector, Sylus Pro	0	402.2	4	155			114.00	
929166938			Wire for metering	0	597.0	7	235			888.60	
929187998			Power cords for JailHouse Sub	0	592.0	3	375			51.59	
Total for Check/Tran - 67586:											1,347.75
67587 10/18/24	CHK	456	GRAINGER, INC.								468.45
9263879133			Digital grease meter	0	548.0	4	235			468.45	
67588 10/18/24	CHK	624	LABRUM FORD								2,531.91
260076288			Truck 249 Service	0	935.2	4	340			2,531.91	
67589 10/18/24	CHK	705	MIDWAY CITY OFFICES								61,050.00
LED PENDANTS 1024			LED Pendants - Main Street Lights	0	555.2	1	184			61,050.00	
67590 10/18/24	CHK	734	MOUNTAINLAND ONE STOP								34.07
145451			Forklift propane	0	935.2	4	130			34.07	
67591 10/18/24	CHK	736	PROTELESIS CORPORATION								519.64
I-100703			Oct 2024 SIP Support	0	935.1	6	245			519.64	

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger							
Invoice			GL Reference	Div	Account	Dept	Actv	BU	Project	Distr	Amount
67592 10/18/24	CHK	740	IRBY CO.								170,632.20
S013689671.026			PO Material received	0	154.0	0	0			34,800.00	
S013700165.024			PO Material received	0	154.0	0	0			69,600.00	
S013738647.018			PO Material received	0	154.0	0	0			17,400.00	
S013915172.009			PO Material received	0	154.0	0	0			2,550.00	
S013921923.010			PO Material received	0	154.0	0	0			3,975.00	
S013926239.013			PO Material received	0	154.0	0	0			3,975.00	
S013926833.016			PO Material received	0	154.0	0	0			3,975.00	
S013946241.016			PO Material received	0	154.0	0	0			3,975.00	
S013954561.004			PO Material received	0	154.0	0	0			14,575.00	
S014033675.002			PO Material received	0	591.0	2	0			396.00	
S014039613.002			PO Material received	0	154.0	0	0			70.00	
S014046148.001			PO Material received	0	154.0	0	0			269.00	
S014049535.001			PO Material received	0	154.0	0	0			5,180.00	
S014050064.003			PO Material received	0	154.0	0	0			420.00	
S014051405.001			SLING ZCS2738 PULLING GRIP	0	402.2	2	155			690.00	
S014054615.005			PO Material received	0	154.0	0	0			2,450.00	
S014063853.001			PO Material received	0	154.0	0	0			514.20	
			Copper Staples	0	402.0	0	0			1,150.00	
S014046301.001			EZ-900-NMC-2-SP PRESS IN CENTERPIN	0	592.0	3	0			206.00	
S013982094.002			Circuit breaker for Southfield Sub	0	107.0	0	235			22.00	
S014025460.003			PO Material received	0	154.0	0	0			4,440.00	
Total for Check/Tran - 67592:										170,632.20	
67593 10/18/24	CHK	784	ELECTRICAL CONSULTANTS, INC.								885.50
124768			Substation Acquisition #10056	0	107.0	0	182			885.50	
67594 10/18/24	CHK	845	DOMINION ENERGY								15,092.34
5060020000SEP24			Sept-24 Cogen Fuel Trasnport Charges	0	547.0	4	135			15,092.34	
67595 10/18/24	CHK	860	PETERSON TREE CARE								11,066.70
8014209471			Finish of Contract work, UDOT work	0	591.0	2	395			11,066.70	

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div Account	Dept	Actv			
67596 10/18/24	CHK	862	PARKLAND USA CORPORATION						8,602.98
IN-264640-24			Ridgeline DEF	0 548.0	4	220		8,602.98	
67597 10/18/24	CHK	1047	US DEPT OF ENERGY						2,071.55
JJPB1643B0924			Sep-2024 Provo River Firm Electric SVC	0 555.0	5	162		2,071.55	
67598 10/18/24	CHK	1075	VERIZON WIRELESS						174.03
9975295224			Oct Remote Mi-Fi Device	0 935.1	6	245		174.03	
67599 10/18/24	CHK	1091	WASATCH AUTO PARTS						966.77
306533			nail brush, fast wipes	0 548.0	4	375		71.96	
306578			WD40 spray, Oil treatment	0 548.0	4	375		42.94	
306659			Truck 206 Starter, battery	0 935.2	4	340		811.53	
306933			Trailer 571 parts	0 935.2	4	235		40.34	
Total for Check/Tran - 67599:									966.77
67600 10/18/24	CHK	1100	WASATCH COUNTY SOLID WASTE						379.00
90083 OCT24			Oct 2024 Office Garbage Removal	0 401.1	1	405		110.00	
93539 OCT24			Oct 2024 Operations Garbage Removal	0 401.1	1	405		269.00	
Total for Check/Tran - 67600:									379.00
67601 10/18/24	CHK	1131	WHEELER MACHINERY CO.						12.54
PS001772285			Gasket	0 107.0	0	235		6.70	
PS001772286			Seal Oring	0 107.0	0	235		5.84	
Total for Check/Tran - 67601:									12.54
67602 10/18/24	CHK	1145	PEHP GROUP INSURANCE FLEX						734.65
FLEX 10/17/24			Employee FSA Contributions	0 243.0	0	12		734.65	
67603 10/18/24	CHK	1159	CHELSEA MALANI						2,236.37
SURVELANT 0924			Airfare	0 401.2	5	10		796.94	
			Hotel	0 401.2	5	185		985.52	
			Per Diem	0 401.2	5	240		310.50	
			Mileage	0 401.2	5	415		60.76	
			Uber fares	0 401.2	5	415		82.65	

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger							
Invoice			GL Reference	Div	Account	Dept	Actv	BU	Project	Distr Amount	Amount
Total for Check/Tran - 67603:											2,236.37
67604 10/25/24	CHK	844	PEHP GROUP INSURANCE								345.12
424264			Nov 24 Bond Post Retiree Prem	0	926.1	1	12			345.12	
67605 10/25/24	CHK	1	BRYAN PIERSON								1,700.00
PIERSON REBATE 1024			Multihead mini split rebate	0	555.2	1	160			1,700.00	
67606 10/25/24	CHK	1	JAKE PICKETT								650.00
PICKETT REBATE 1024			ECM furnace rebate	0	555.2	1	160			100.00	
			Tier 2 A/C rebate	0	555.2	1	160			550.00	
Total for Check/Tran - 67606:											650.00
67607 10/25/24	CHK	1	RODNEY SCHROCK								150.00
SCHROCK REBATE 1024			(2) Smart thermostat rebates	0	555.2	1	385			150.00	
67608 10/25/24	CHK	1	TARA STAFFORD								450.00
STAFFORD REBATE 1024			ECM Furnace rebate	0	555.2	1	160			100.00	
			Tier 1 A/C rebate	0	555.2	1	160			350.00	
Total for Check/Tran - 67608:											450.00
67609 10/25/24	CHK	2	DOUGLAS THOMPSON								20.00
20241022092927216			Credit Balance Refund 22096001	0	142.99	0	0			20.00	
67610 10/25/24	CHK	2	BARRY J ARONOFF								13.08
20241024124325761			Credit Balance Refund 81857001	0	142.99	0	0			13.08	
67611 10/25/24	CHK	2	LEANNE HAWKEN								22.75
2024102412414705			Credit Balance Refund 83690001	0	142.99	0	0			22.75	
67612 10/25/24	CHK	105	A T & T								141.00
0300550933001OCT24			Oct 2024 Phone Service	0	935.1	6	245			141.00	
67613 10/25/24	CHK	167	SMITH HARTVIGSEN,PLLC								11,617.90
65294			Sept General Legal Matters	0	923.0	1	440			10,932.90	
65295			Sept Legal Travel Time	0	923.0	1	440			480.00	

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger					
Invoice			GL Reference	Div Account	Dept	ActvBU Project	Distr Amount	Amount	
65296			Sept - Transmission Line	0 923.0	1	440	145.00		
65297			Sept Water Rights Legal Support	0 923.0	1	440	60.00		
Total for Check/Tran - 67613:								11,617.90	
67614 10/25/24	CHK	206	BLUE STAKES OF UTAH 811					758.94	
UT202402612			Sept 2024 Staking Notifications	0 591.0	2	15	758.94		
67615 10/25/24	CHK	320	CUWCD					209,456.00	
13707			Sept 2024 Hydro Charges	0 555.0	5	162	209,456.00		
67616 10/25/24	CHK	353	DISH NETWORK					176.71	
DISH-1124			Nov 2024 Dish Network Subscription	0 401.0	5	374	176.71		
67617 10/25/24	CHK	428	FREEDOM MAILING					4,842.01	
48874			Extra Inserts Heber Cemetary	0 426.4	1	5	99.44		
			Sept Cycle 2 Billing Statements	0 921.5	1	55	4,742.57		
Total for Check/Tran - 67617:								4,842.01	
67618 10/25/24	CHK	451	GUARDIAN					7,847.07	
GUARD 1124			Nov 24 Accident Insurance Premiums	0 926.0	1	12	5,231.38		
GUARD 1024			Oct 24 Accident Insurance Premiums	0 926.0	1	12	2,615.69		
Total for Check/Tran - 67618:								7,847.07	
67619 10/25/24	CHK	456	GRAINGER, INC.					112.16	
9268708725			Boot Brush for Operations	0 935.0	1	375	112.16		
67620 10/25/24	CHK	644	US BANK NATIONAL ASSOCIATION					297,187.50	
34036			October - 2019 Bond Payment	0 136.6	0	18	91,229.16		
34049			October - 2012 bond Payment	0 136.2	0	18	30,666.67		
34659			October - 2023 Bond Payment	0 136.61	0	18	175,291.67		
Total for Check/Tran - 67620:								297,187.50	
67621 10/25/24	CHK	740	IRBY CO.					241,919.75	
S013738647.019			PO Material received	0 154.0	0	0	17,400.00		
S013886267.012			PO Material received	0 154.0	0	0	52,800.00		

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger					
Invoice			GL Reference	Div Account	Dept	ActvBU Project	Distr Amount	Amount	
S013954561.005			PO Material received	0 154.0	0	0	1,325.00		
S014037637.001			PO Material received	0 154.0	0	0	1,860.00		
S014046148.002			PO Material received	0 154.0	0	0	301.00		
S014054615.006			PO Material received	0 154.0	0	0	90.00		
S014038237.001			Coates Solar Project	0 107.0	0	235	1,700.00		
S013973411.012			PO Material received	0 154.0	0	0	166,443.75		
Total for Check/Tran - 67621:								241,919.75	
67622 10/25/24	CHK	746	FUEL NETWORK						4,191.54
F2503E00886			September Fleet Fuel Purchases	0 935.2	4	130	4,191.54		
67623 10/25/24	CHK	768	CANON SOLUTIONS AMERICA						125.01
6009447292			Office Copier Clicks - Sept 2024	0 921.0	1	275	61.01		
6009447555			Operations Copier Clicks - Sept 2024	0 921.0	1	275	64.00		
Total for Check/Tran - 67623:								125.01	
67624 10/25/24	CHK	844	PEHP GROUP INSURANCE						72,822.07
424417			Oct 2024 Health/Vision Insurance Prem	0 926.0	1	12	70,914.19		
			Klungervick Retiree Benefit Prem	0 926.1	1	12	1,907.88		
Total for Check/Tran - 67624:								72,822.07	
67625 10/25/24	CHK	862	PARKLAND USA CORPORATION						356.85
IN-275403-24			Solvent, Tool cleaner	0 548.0	4	375	356.85		
67626 10/25/24	CHK	878	ESCI						3,040.00
14409			Oct 2024 Safety & Training Services	0 402.1	1	315	3,040.00		
67627 10/25/24	CHK	933	WESTERN UNITED ELECTRIC SUPPLY C						107,800.70
6125493			PO Material received	0 154.0	0	0	107,800.70		
67628 10/25/24	CHK	1075	VERIZON WIRELESS						88.60
9975823712			Sep 9 - Oct 8 SCADA	0 592.0	3	320	45.26		
			Sep 9 - Oct 8 Back-up router	0 935.3	6	335	43.34		
Total for Check/Tran - 67628:								88.60	

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger							
Invoice			GL Reference	Div	Account	Dept	Actv	BU	Project	Distr	Amount
67629 10/25/24	CHK	1084	GBS BENEFITS, INC								188.00
759992			Billing for Nov 2024	0	926.0	1	12			188.00	
67630 10/25/24	CHK	1091	WASATCH AUTO PARTS								75.96
307041			Gasket Adhesive Unit 7	0	935.2	4	235			9.99	
307108			Trailer Wire Truck 266	0	935.2	4	235			15.99	
307304			Cutting Fluid	0	107.0	0	235			49.98	
Total for Check/Tran - 67630:											75.96
67631 10/25/24	CHK	1244	BUD MAHAS CONSTRUCTION, INC								482,125.00
2307 00 #5			New Bldg Pay request #5	0	107.0	0	47			482,125.00	
67632 10/25/24	CHK	1260	VALVOLINE								155.66
91893436			Truck 202 Service	0	935.2	4	340			155.66	
67633 10/25/24	CHK	1419	WORKFORCEQA, LLC								240.00
INV108680			Employee drug screening	0	401.0	1	95			240.00	
67634 10/25/24	CHK	1433	EXECUTECH								8,792.53
EXEC-179890			Azure/Power BI Subscription	0	935.3	6	310			1,108.76	
			Office 365	0	935.3	6	330			1,279.00	
			Acronis storage	0	935.3	6	335			1,659.77	
EXEC-178177			Oct Security and IT services	0	935.3	6	330			1,545.00	
			Oct Security and IT services	0	935.3	6	380			3,200.00	
Total for Check/Tran - 67634:											8,792.53
67635 10/25/24	CHK	1467	NISC								22,613.37
605704			Mapping Phase 2	0	107.0	0	100			6,885.00	
			Mapping Phase 3	0	107.0	0	100			3,995.00	
			Sept Miscellaneous Bill	0	921.5	1	55			339.62	
			Sept Miscellaneous Bill	0	921.5	1	270			135.27	
606412			Monthly Recurring Fee	0	401.0	1	355			11,258.48	
Total for Check/Tran - 67635:											22,613.37
67636 10/30/24	CHK	774	DEVAN CLYDE								324.50

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div Account	Dept	Actv			
PER DIEM 11/24			Hotline School Per Diem	0 401.2	2	240		324.50	
67637 10/30/24	CHK	987	WES ROWLEY						324.50
PER DIEM 11/24			Hotline School Per Diem	0 401.2	2	240		324.50	
67638 10/30/24	CHK	1285	KOLBE WARD						324.50
PER DIEM 11/24			Hotline School Per Diem	0 401.2	2	240		324.50	
Total for Bank Account - 1 :								(146)	4,718,819.28
Grand Total :								(146)	4,718,819.28

11/12/2024

11:45:24 AM

Accounts Payable Check Register

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PARAMETERS ENTERED:**Check Date:** 10/01/2024 To 10/31/2024**Bank:** All**Vendor:** All**Check:****Journal:** All**Format:** GL Accounting Distribution**Extended Reference:** No**Sort By:** Check/Transaction**Voids:** None**Payment Type:** All**Group By Payment Type:** No**Minimum Amount:** 0.00**Authorization Listing:** No**Credit Card Charges:** No

Agenda Item 2: UAMPS MC
Power Project(Resolution
2024-06) UAMPS PC Power
Project(Resolution 2024-07)



Board Meeting January 24, 2023

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AND APPROVING THE MILLARD COUNTY POWER PROJECT POWER SALES CONTRACT WITH UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS; AND RELATED MATTERS.

WHEREAS, Heber Light & Power Company, Utah (the "*Participant*") is a member of Utah Associated Municipal Power Systems ("*UAMPS*") pursuant to the provisions of the Utah Associated Municipal Power Systems Amended and Restated Agreement for Joint and Cooperative Action, as amended (the "*Joint Action Agreement*");

WHEREAS, one of the purposes of UAMPS under the Joint Action Agreement is the acquisition and construction of electric generating, transmission and related facilities in order to secure reliable, economic sources of electric power and energy for its members;

WHEREAS, UAMPS proposes to acquire and construct a natural gas-fired electric generating facility consisting of multiple reciprocating internal combustion engines to be known as the "Millard County Power Project" (the "*Project*") to be located at a site in Millard County, Utah, and to sell the capacity and output of the Project pursuant to the Millard County Power Project Power Sales Contracts (the "*Power Sales Contracts*") between UAMPS and the Participants (capitalized terms used and not defined herein have the meanings assigned to them in the Power Sales Contracts);

WHEREAS, the Governing Body has reviewed (or caused to be reviewed on its behalf) certain descriptions and summaries of the Project and the Power Sales Contracts, and representatives of the Participant have participated in discussions and conferences with UAMPS and others regarding the Project and have received from UAMPS all requested information and materials necessary for the decision of the Governing Body to authorize and approve the Power Sales Contract;

WHEREAS, the Participant acknowledges that the obligation of the Participant to make the payments provided for in the Power Sales Contract will be a special obligation of the Participant and an operating expense of the Participant's electric system, payable from the revenues and other available funds of the electric system, and that the Participant shall be unconditionally obligated to make the payments required under the Power Sales Contract whether or not the Project or any portion thereof is acquired, constructed, completed, operable or operating and notwithstanding the suspension, interruption, interference, reduction or curtailment of the output thereof for any reason whatsoever; and

WHEREAS, the Governing Body has reviewed (or caused to be reviewed on its behalf) its current and projected needs for electric power and energy and information with respect to the Project prepared by UAMPS setting forth, among other things, preliminary estimates of the

Development Costs, the Cost of Acquisition and Construction, the estimated timeline for the development and construction of the Project and related matters, and now desires to authorize and approve the Power Sales Contract;

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of Heber Light & Power Company, Utah, as follows:

Section 1. Approval of Power Sales Contract; Development Share. (a) The Power Sales Contract, in substantially the form attached hereto as *Annex A*, is hereby authorized and approved, and the Chairman is hereby authorized, empowered and directed to execute and deliver the Power Sales Contract on behalf of the Participant, and the Secretary is hereby authorized, empowered and directed to attest and countersign such execution and to affix the corporate seal of the Participant to the Power Sales Contract, with such changes to the Power Sales Contract from the form attached hereto as *Annex A* as shall be necessary to conform to the Participant's legal status, to complete the form of the Power Sales Contract or to correct any minor irregularities or ambiguities therein and as are approved by the Chairman, his execution thereof to constitute conclusive evidence of such approval.

(b) A Development Share representing _____ kW of capacity in the Project is hereby authorized and approved. The Participant acknowledges that (i) its Development Share may be increased to provide for a full allocation of the Project Output and (ii) by virtue of its Development Share, the Participant will have an Entitlement Share with the same amount of Electric Power as its Development Share from and after the Completion of Development through the remaining term of the Power Sales Contract, all as provided in the Power Sales Contract.

Section 2. Participant's Representative. (a) The appointment of Jason Norlen as the Participant's Representative to UAMPS and of Bart Miller and Emily Brandt as alternate Representatives is hereby confirmed.

(b) Such Representative (or, in his or her absence, such alternate(s)) is hereby delegated full authority to (i) approve any appendix to the Pooling Agreement between UAMPS and the Participant that may be necessary or desirable in connection with the utilization of the Participant's Entitlement Share, and (ii) act on all matters that may come before the Project Management Committee established by the Power Sales Contract, and shall be responsible for reporting regularly to the Governing Body regarding the activities of the Project Management Committee.

Section 3. Compliance with Tax Covenants. The Participant agrees in the Power Sales Contract that it will apply all of the electric power and energy acquired under the Power Sales Contract to a Qualified Use and that it will not take or omit to take any action which could adversely affect the Tax Status of any Bond or Bonds theretofore issued or thereafter issuable by UAMPS. In furtherance of that agreement, the Governing Body of the Participant hereby agrees that it will observe and comply with such instructions as may be provided from time to time by UAMPS with respect to the Qualified Use of the electric power and energy acquired under the Power Sales Contract.

Section 4. Further Authority. (a) The Chairman and the Secretary are hereby authorized, empowered and directed to (i) execute the Certificate of the Participant in substantially the form attached as EXHIBIT III to the Power Sales Contract and to deliver the same to UAMPS, and (ii) from time thereafter and upon the request of UAMPS, execute the Bring-Down Certificate of the Participant in substantially the form attached as *Exhibit IV* to the Power Sales Contract and to deliver the same to UAMPS.

(b) The Participant's legal counsel is hereby authorized, empowered and directed to (i) execute the Opinion of Counsel to the Participant in substantially the form attached as EXHIBIT V to the Power Sales Contract and to deliver the same to UAMPS, and (ii) from time thereafter and upon the request of UAMPS, execute the Bring-Down Opinion of Counsel to the Participant in substantially the form attached as EXHIBIT VI to the Power Sales Contract and to deliver the same to UAMPS.

Section 5. Miscellaneous; Effective Date. (a) This resolution shall be and remain irrevocable until the expiration or termination of the Power Sales Contract in accordance with its terms.

(b) All previous acts and resolutions in conflict with this resolution or any part hereof are hereby repealed to the extent of such conflict.

(c) In case any provision in this resolution shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(d) This resolution shall take effect immediately upon its adoption and approval.

ADOPTED AND APPROVED on _____, 2024.

HEBER LIGHT & POWER COMPANY

By _____
Chairman

ATTEST:

Secretary

[SEAL]

EXECUTIVE SUMMARY
UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS
POWER COUNTY POWER PROJECT

October 24, 2024

INTRODUCTION AND OVERVIEW

INTRODUCTION

This Executive Summary provides an overview of UAMPS' proposed Power County Power Project, summarizes the provisions of the Power Sales Contracts and outlines the Project Agreements. The Power County Power Project is referred to in this Executive Summary as the "*Baseload Project*." The information contained in this Executive Summary has been prepared for the use of prospective Participants in connection with their decision to participate in the Baseload Project by entering into a Power Sales Contract with UAMPS.

This Executive Summary has six parts:

- Part 1: Definitions,
- Part 2: Preliminary Baseload Project description,
- Part 3: Estimated cost of construction; Budget and Plan of Finance,
- Part 4: Interconnection and Transmission,
- Part 5: Summary of the Power Sales Contracts, and
- Part 6: Outlines of the Project Agreements.

The descriptions and summaries contained in this Executive Summary are preliminary, broad and general, and are subject to change as the Project Agreements and the Budget and Plan of Finance for the Baseload Project are developed and finalized under the supervision of the Baseload Project Management Committee. If you have any questions or require any additional information, please contact Jackie Coombs, UAMPS' Managing Director of Corporate and Member Services, at 801-214-6402 or by e-mail to jackie@uamps.com.

PART 1. DEFINITIONS

As used in this Executive Summary:

Baseload Project: the Power County Power Project.

Contractor: the contractor under the EPC Contract.

EPC Contract: the Engineering, Procurement and Construction Contract to be entered into by UAMPS and the Contractor with respect to the Baseload Project.

Entitlement Share: each Participant's percentage entitlement to the capability of the Baseload Project.

Interconnection Agreement: the agreement providing for the interconnection of the Baseload Project with the transmission facilities of PacifiCorp.

Joint Ownership Agreement means the agreement between UAMPS and UMPA with respect to their joint ownership of the Baseload Project.

Operating Agreement: the agreement, if any, providing for the operation and maintenance of all or any portion of the Baseload Project.

Participants: the power purchasers under the Power Sales Contracts.

Power Sales Contracts: the Power County Power Project Power Sales Contracts between UAMPS and the Participants.

Project Agreements: the Joint Ownership Agreement, the EPC Contract, major equipment agreements, the Operating Agreement, the Interconnection Agreement and the Transmission Agreement.

Project Management Committee: the committee established under the Power Sales Contracts, consisting of one representative appointed by each of the Participants.

Transmission Agreements: the Amended and Restated Transmission Service and Operating Agreement between UAMPS and PacifiCorp, and each other transmission contract, agreement or tariff entered into by UAMPS or the Participant that is used or necessary for the delivery of power and energy from the Point of Delivery to the Participant's System Point of Receipt, whether by direct transmission, displacement, exchange or otherwise.

UMPA: Utah Municipal Power Agency.

Williams Northwest Pipeline: an interstate natural gas pipeline running from the four corners region of New Mexico to the Pacific Northwest. The system stretches nearly 4000 miles to the Canadian border. This pipeline will be the source of natural gas for the Baseload Project via a pipeline connection with the plant.

Capitalized terms not defined above have the meanings assigned to them in the Power Sales Contracts.

PART 2. THE BASELOAD PROJECT

The following is a summary description of the Baseload Project. This description is subject to change as the Baseload Project is developed and based upon the terms of Permits and Approvals, the EPC Contract and the other Project Agreements. The initial Baseload Project description will be approved by the Project Management Committee upon the Effective Date of the Power Sales Contracts and the final Baseload Project description will be approved by the Project Management Committee after the Baseload Project achieves commercial operation.

PROJECT DESCRIPTION

The Baseload Project consists of the planning, design, construction and installation of a 364,000 kW natural gas-fired combined cycle generating facility in Power County, Idaho. The principal components of the Baseload Project include:

1. Preliminary planning and design of the facility with a third-party Owner's Engineer, including site studies, long-lead time ordering of equipment and estimation of project costs.
2. Preliminary site work and preparation, including clearing, fencing, grading and concrete foundations work, as well as final site work upon completion of the Baseload Project.
3. A Baseload Generation System consisting of:
 - a. A single combustion turbine (CT) as the prime mover driving (directly-connected to) an electrical generator,
 - b. A heat recovery steam generator (HRSG) system with duct fired burners that recover heat to drive a steam generator to produce electricity,
 - c. All ancillary equipment associated with the prime mover equipment: fuel system, lubricant system, coolant systems, exhaust silencer, etc.,
 - d. Air emission control equipment: Selective Catalytic Reduction (SCR) equipment,
 - e. Major electrical systems: switchgear, disconnects and generator step-up transformers, and
 - f. All balance-of-plant equipment: fire suppression, crane equipment, etc.
4. Electric interconnection facilities including a substation, a step-up transformer, control, metering and communications equipment, and a new transmission line to the Borah substation. See "Transmission and Interconnection" below.
5. A natural gas measurement station and small lateral supplied by Williams Northwest Pipeline.

ENGINEERING, CONSTRUCTION AND FINANCING

Pursuant to the EPC Contract, it is expected that the Contractor will provide all design, engineering, procurement, construction services necessary for the acquisition and construction of the Baseload Project. If necessary, UAMPS will be responsible for the design and construction work on the remaining components of the Baseload Project.

PERMITS AND APPROVALS

Rights-of-Way. Work performed within the project boundaries (generation, transmission and pipeline) will be a mix of private, state and federal land and will entail a federal nexus for permitting. This is primarily driven by the transmission crossing of the Snake River to gain access to the Borah substation. To obtain a Right-of-Way grant (SF-299) from the Department of the Interior, environmental and cultural studies will need to be performed within the impacted area of the project. As the land under the Snake River is considered state land, an easement with the Idaho Department of Lands will also need to be obtained.

Air Permits. The Baseload Project will require an air quality permit under Title V of the Clean Air Act as administered by the Idaho Department of Environmental Quality. The location of the project is outside of state-defined areas of nonattainment for Ozone and PM2.5 and UAMPS expects that these permits will be obtained in due course and will not impact the construction schedule for the Baseload Project.

Construction and Use Permits. Construction and operation of the Baseload Project will require building and conditional use permits from Power County, Idaho. UAMPS expects to begin the permitting process upon member subscription and approval and as site-specific design details are determined. The permitting process with Power County is expected to take from three to six months and has been incorporated into project timelines.

Additional Permits. In connection with the construction of the project, it is expected that UAMPS will be required to obtain a storm water pollution prevention plan and a storm water discharge permit under the Clean Water Act (Idaho Division of Water Quality) and a wastewater discharge permit and a spill prevention containment control plan (Idaho Division of Water Quality). Additional road permits may be required by Power County and the Idaho Department of Transportation to facilitate the transport of large equipment to construct the project and to encroach on the highway with the transmission line. UAMPS expects that these permits will be obtained in due course and will not impact the construction schedule for the Baseload Project.

PROJECT CONSTRUCTION SCHEDULE

Various factors will affect the proposed construction schedule and completion date of the Baseload Project. The engineering, procurement and construction of the project is currently estimated to require approximately 30 months after the execution of the EPC Contract. Typical contractual arrangements for an EPC Contract will require UAMPS to make an initial payment to the Contractor upon execution of the EPC Contract to initiate equipment ordering and fabrication. Current challenges for obtaining long-lead items will require that UAMPS will submit a purchase

order deposit for the Generator Step Up Transformer (GSU) once the preliminary engineering is complete. The GSU for the project is the longest lead item in the schedule and may take up to 120+ weeks depending on demand in the market and supply chain constraints. The Project Management Committee will determine when to authorize the execution of the long-lead purchase order and the EPC Contract and execute the initial payment to the Contractor.

An interconnection application for the project has been made to PacifiCorp. However, the current state of electrical transmission service requests within the PacifiCorp system is the most significant unknown that may impact the project schedule. While study agreements for large generator interconnects and transmission service are expected to be submitted in late 2024 or 2025, contingent facilities that may arise as a result of these studies could require an unpredictable number of years to complete. UAMPS will follow the results of these studies and adjust spending and the project execution schedules to ensure that the project can be utilized at the earliest date that transmission services are available. UAMPS will advise the Project Management Committee to determine the timing for purchasing long lead equipment and executing the EPC contract based on results from the transmission service studies.

PROJECT CONSULTANTS

UAMPS has retained Burns & McDonnell to assist with the preliminary engineering and to conduct a siting study using transmission and natural gas infrastructure to locate the generation facility and highlighted risks for permitting. Following this work, a technology assessment study was conducted to refine the type and manufacturer of equipment that would meet fuel requirements and generation limits. Finally, a Project Sequencing Plan was developed that utilized a Burns & McDonnell project database to determine high-level costs and develop a high-level project schedule using assumed best-case results from transmission studies.

UAMPS will retain an Owner's Engineer to assist in the writing of the Contractor EPC specifications so that various aspects of the project can be competitively bid. This Owner's Engineer will also help with procuring the long-lead equipment and will provide a specification to the Original Equipment Manufacturer (OEM) that will supply the major equipment (CT engine, generators, cooling fans, etc.) that will entail the bulk of the equipment that needs procurement on the project.

OPERATION OF THE BASELOAD PROJECT

UAMPS may perform the general operation and maintenance work on the Baseload Project with its own employees or may contract with a third party for these services. The operations plan for the Baseload Project will be approved by the Project Management Committee.

PART 3. COST OF CONSTRUCTION, PLAN OF FINANCE AND COST OF ENERGY

ESTIMATED COST OF CONSTRUCTION

Based upon its initial review and analysis of the Baseload Project, UAMPS presently estimates that the total cost of construction of the project will be approximately \$700 million. The project is projected to be below this amount, but uncertainty in the marketplace (transmission, long-lead procurement and constraints in obtaining contractor resources) have resulted in a conservative approach to estimating project costs to cover currently known contingencies. The following table summarizes the estimated costs of construction of the Baseload Project:

<u>COST CATEGORY</u>	<u>ESTIMATED COST</u>
EPC Contract	\$468,000,000
Substation and interconnection	41,000,000
Engineering, permitting and development	28,000,000
Contingency	33,000,000
Financing Costs (interest during construction, fees, etc.)	78,000,000
Owners Costs (insurance, land acquisition, sales taxes, inspection, etc.)	<u>52,000,000</u>
ESTIMATED COSTS OF CONSTRUCTION	\$700,000,000

BUDGET AND PLAN OF FINANCE

UAMPS is in the process of developing a Budget and Plan of Finance for the Baseload Project. The Budget and Plan of Finance will be approved by the Project Management Committee as provided in the Power Sales Contract. The initial Budget and Plan of Finance will be based on the estimated costs of construction outlined above and will provide for the Development Costs of the Baseload Project to be financed under one or more lines of credit or credit facilities and for the Costs of Acquisition and Construction of the Baseload Project to be financed with the proceeds of Bonds. The intent of the Budget and Plan of Finance is for all Development Costs and the Costs of Acquisition and Construction, including financing and interest charges, to be financed to the Commercial Operation Date of the Baseload Project such that the Participants will not be billed until after they receive energy from the Baseload Project.

If the Baseload Project is terminated by the Project Management Committee at or prior to the end of the Development Period under the Power Sales Contracts, each Participant will be responsible for the repayment of its Development Cost Share of the Development Costs incurred by UAMPS. If Completion of Development of the Baseload Project occurs, each Participant will pay its Entitlement Share of all of the costs of the Baseload Project, including operating expenses, fuel and debt service costs and transmission charges. See the summary of the Power Sales Contracts below for additional information.

PART 4. TRANSMISSION OF PROJECT POWER AND ENERGY

INTERCONNECTION

The Project will interconnect with PacifiCorp's existing Borah Substation utilizing a new 3-mile 345 kV transmission line. UAMPS has submitted an interconnection request for the Baseload Project under PacifiCorp's Open Access Transmission Tariff. An initial scoping study will be performed, and PacifiCorp will prepare a system impact study that will determine the transmission facilities necessary to interconnect the Baseload Project. UAMPS expects that the system impact study will be completed by December of 2025 .

The Baseload Project will also interconnect and be supplied by Williams Northwest Pipeline (WNP) transmission pipelines. UAMPS will sign an Interconnection Agreement and pay for facilities with WNP after project is approved and work can be performed within the required project schedule.

TRANSMISSION

UAMPS has a network transmission agreement with PacifiCorp that will provide network service to Participants connected to the PacifiCorp transmission system in Utah. All UAMPS Participants are currently points of delivery on the network transmission agreement.

Transmission service charges for the Baseload Project will determined under the network transmission agreement.

PART 5. THE POWER SALES CONTRACTS

The following provides a summary of the basic terms and provisions of the Power Sales Contracts between UAMPS and its the Participants, but does not describe all of the provisions of the Power Sales Contracts. Participants should refer to the text of the Power Sales Contracts for their complete provisions.

THE PROJECT

A summary description of the Baseload Project and its components will be approved by the Project Management Committee and attached to the Power Sales Contract as EXHIBIT I.

SALE OF OUTPUT

UAMPS will sell the Electric Power and Electric Energy from the Baseload Project to the Participants pursuant to the Power Sales Contracts.

TERM

The Power Sales Contracts will become effective upon the receipt by UAMPS of executed Power Sales Contracts, authorizing resolutions, certificates and legal opinions from Participants that have requested Development Shares (in kW) totaling at least 85% of the expected Project Capability, net of the capacity owned by UMPA pursuant to the Joint Ownership Agreement (the “Minimum Subscription”).

Each of the Power Sales Contracts will have a term that extends to the later of (a) the final payment of the Bonds and (b) the date the Baseload Project and any Additional Facilities are permanently removed from service and decommissioned.

DEVELOPMENT SHARES AND ENTITLEMENT SHARES

In connection with its decision to enter into the Power Sales Contract, each Participant requests a Development Share (in kW) in the expected Project Capability of the Baseload Project. In the event that the requested Development Shares are greater than the Minimum Subscription but less than the expected Project Capability, UAMPS will seek subscription from additional participants under Power Sales Contracts or joint ownership arrangements. If the Baseload Project is not fully subscribed by the time that Completion of Development occurs, UAMPS will downsize the Project Capability to align it with project subscription.

Each Participant’s Development Share is a contractual right to participate in the development of the Baseload Project and in the decision-making over the development of the Baseload Project through the Participant’s Representative on the Project Management Committee. Each Participant’s Development Cost Share (the ratio of a Participant’s Development Share to the Development Shares of all Participants) is a contractual obligation to pay for a corresponding percentage of all of the costs of the ownership, financing and operation of the Baseload Project.

If the Project Management Committee determines that Completion of Development of the Baseload Project has occurred (*i.e.*, development of the Baseload Project is complete and ready to proceed to construction), each Participant's Development Share will automatically convert to an Entitlement Share with the same amount of kW capacity as its Development Share. The Entitlement Share is a contractual right to receive a specific percentage of the Project capability and a contractual obligation to take or pay for a corresponding percentage of all of the costs of the ownership, financing and operation of the Baseload Project.

FINANCING

UAMPS will use its best efforts to finance the Development Costs and the Costs of Acquisition and Construction of the Baseload Project under lines of credit and the issuance of revenue bonds ("*Bonds*"). The amount of Bonds issued by UAMPS will be reduced by the amount of any Capital Contributions made by Participants. Additional Bonds may be issued as parity or subordinated obligations to pay future costs of the Baseload Project. Refunding Bonds may be issued by UAMPS to reduce debt service costs or to achieve other objectives.

SECURITY FOR BONDS

The Bonds will be secured by a pledge of all of the revenues produced by the operation of the Baseload Project, including the amounts paid under the Power Sales Contracts. The Bonds will be special obligations of UAMPS and will have no claim on any of the revenues or assets of UAMPS from its other projects. The Bonds will not be debts or obligations of the Participants.

CAPITAL CONTRIBUTION OPTION

Prior to UAMPS' issuance of Bonds to finance the Cost of Acquisition and Construction, each Participant has the option (but not an obligation) to make a Capital Contribution to UAMPS. Capital Contributions will be used by UAMPS to pay the Cost of Acquisition and Construction of the Baseload Project, and the amount of Bonds UAMPS issues will be reduced by the amount of Capital Contributions made by the Participants.

UAMPS will provide at least 30 days' written notice to the Participants of their right to elect to make a Capital Contribution and the amount of their Capital Contributions. A Participant's election to make a Capital Contribution must be made by a written resolution adopted by its governing body. Each Participant that has elected to make a Capital Contribution will be required to deposit the payment in a segregated escrow account established under the financing documents for the Bonds.

The Project Management Committee will determine whether to make a capital contribution option available to the Participants in connection with the issuance of Additional Bonds.

PRICE

The Entitlement Share will be sold at cost. Each Participant will pay its proportionate share (the ratio of its Entitlement Share to the sum of all Entitlement Shares) of all of the costs of the Baseload Project, including:

- amounts payable by UAMPS under the Project Agreements;
- other operation and maintenance expenses of the Baseload Project, including fuel costs and working capital charges;
- Debt Service Costs with respect to Bonds issued to finance the costs of the Baseload Project;
- costs of capital improvements, replacements and additions to the Baseload Project, and reserves for such costs, approved by the Project Management Committee; and
- all other costs incurred in connection with the Baseload Project.

Costs will be allocated proportionately to all Entitlement Shares, except that the allocation of Debt Service Costs on the Bonds will be adjusted to reflect Capital Contributions made by any Participants. Each Participant will also pay the Transmission Costs for the transmission of Project output from the Point of Delivery to the Participant's system. The amounts paid by the Participants will be sufficient to enable UAMPS to pay all of the costs of the ownership, operation and financing of the Baseload Project.

BILLINGS AND PAYMENTS

Billings and payments will be made monthly. All payments will be made on a "take-or-pay" basis (*i.e.*, regardless of whether the Baseload Project is operable, operating, damaged or destroyed in whole or in part) and are not subject to counterclaim, offset or reduction for any reason.

The payment obligations of Participants under the Power Sales Contracts are several and not joint.

PROJECT MANAGEMENT COMMITTEE

The Project Management Committee will function in the same manner as the project management committees for UAMPS' other projects, and pursuant to the provisions of UAMPS' Joint Action Agreement and Bylaws that govern project management committees. The Project Management Committee will recommend decisions on the Baseload Project to the UAMPS Board of Directors. The Project Management Committee will have complete and comprehensive decision-making authority over the Baseload Project.

Promptly after the Effective Date of the Power Sales Contracts, the Project Management Committee is required to establish a maximum target price for the cost of energy (\$/MWh) from the Project (the “*Target Price*”) and development milestones for determining whether the expected cost of energy from the Project exceeds the Target Price. A determination by the Project Management Committee that the Target Price is exceeded as of any determination date constitutes a determination by the Project Management Committee to terminate the Project.

ANNUAL BUDGETS

UAMPS will develop, and the Project Management Committee and the Board of Directors will approve, annual budgets for the Baseload Project that will cover all of the costs of the Baseload Project (see “PRICE” above). The annual budget will be the basis for the monthly billings and payments for the Baseload Project. The annual budget may be revised from time to time as necessary to reflect the actual costs of the Baseload Project.

PROJECT OUTPUT

Each Participant will assign the output attributable to its Entitlement Share to the UAMPS Power Pool for operating and scheduling purposes.

Under the Power Sales Contract Project output will be delivered to each Participant at the Point of Delivery (the point of interconnection between the Baseload Project and the transmission grid). Each Participant will be responsible for, and will pay all costs of, the transmission of Project output from the Point of Delivery to the Participant’s System Point of Receipt.

CAPITAL REPLACEMENTS, IMPROVEMENTS AND ADDITIONS

The Project Management Committee will have authority to approve capital replacements, improvements and additions to the Baseload Project and to determine whether to expense or capitalize and finance the cost of capital items. In the event that such items are financed by the issuance of Bonds, the Project Management Committee will determine whether to make a capital contribution option available to the Participants.

ADDITIONAL FACILITIES

UAMPS may from time to time recommend the acquisition and construction of Additional Facilities to improve or add to the Baseload Project. All Additional Facilities require the approval of the Project Management Committee.

DEFAULTS AND REMEDIES; STEP-UP OF NON-DEFAULTING PARTICIPANTS

Upon a default by any Participant, UAMPS is authorized to exercise various remedies in order to ensure that it will have sufficient revenues to meet its obligations as owner of the Baseload Project and to pay the debt service on the Bonds. Among other things, UAMPS is authorized to terminate a defaulting Participant’s Entitlement Share and to make a mandatory reallocation of

such Entitlement Share to the other Participants. No Participant's original Entitlement Share (as adjusted to reflect any voluntary assignments of Entitlement Shares previously accepted by the Participant) may be increased by more than a specified percentage (which is expected to be less than 25%) as a result of all permanent mandatory reallocations of defaulting Participants' Entitlement Shares.

PART 6. THE PROJECT AGREEMENTS

The following outlines the purpose and expected terms of the Project Agreements. The Project Agreements have not yet been drafted and will be subject to negotiation. The Project Management Committee's approval is required before execution of any of the Project Agreements.

JOINT OWNERSHIP AGREEMENT

The Joint Ownership Agreement will provide the terms and provisions for UMPA's ownership of an undivided percentage interest in the Baseload Project. This interest is expected to be approximately 17.6%, representing approximately 64 MW of the generating capacity of Baseload Project (the "Ownership Percentage").

It is expected that the Joint Ownership will provide that:

- UAMPS will be responsible for all aspects of the development, acquisition, construction and operation of the Baseload Project;
- UAMPS will share information and consult with UMPA regarding the Baseload Project and will not take certain actions without UMPA's consent;
- UMPA will have the right to receive its Ownership Percentage of the power and energy generated by the Baseload Project;
- UMPA will be responsible for the payment of its Ownership Percentage of all Development Costs and Operation and Maintenance Costs of the Baseload Project; and
- UMPA will issue its own bonds to fund its Ownership Percentage of the Costs of Acquisition and Construction of the Baseload Project.

THE EPC CONTRACT

UAMPS will enter into the EPC Contract with the Contractor to design, engineer, acquire, construct, commission, test and deliver the combined cycle generating facility using a contractual arrangement that emphasizes professional expertise, leverages efficiencies using prior designs and competitively bids at least 80% of the construction phases and materials of the project.

Under the EPC Contractual arrangement, the Contractor will perform generally all necessary and incidental work to bring the combined cycle generating facility to full completion and commercial operation. The work will be completed in accordance with a project schedule with specified milestones and completion dates. The Contractor may be required to pay damages in the event an item is not completed by its guaranteed completion date, and the amount of such damages may be limited.

It is expected that the Contractor will provide certain warranties with respect to the certain components of the generating facility and with respect to the work it performs under the EPC Contract, subject to standard exclusions.

Prior to substantial completion, the Contractor will be required to conduct a range of tests to confirm mechanical completion and the performance of the combined cycle generating facility. The Contractor is required to take remedial actions to correct performance test failures. The EPC Contract will establish various testing protocols and procedures.

It is expected that EPC Contract will require satisfaction of a number of conditions before the Contractor can certify substantial completion of the generating facility, including: (a) the generating facility can be operated in a safe and efficient manner in accordance with its plans and specifications, applicable laws and regulations; (b) the performance tests have been successfully passed and approved by UAMPS and the net deliverable capacity equals or exceeds the guaranteed minimum capacity; (c) the generating facility is capable of delivering electricity to the point of connection with the electrical grid; (d) the generating facility has received all certificates and governmental authorizations to be provided by the Contractor; (e) all quality assurance documentation has been provided to UAMPS in accordance with the quality control and quality assurance plan; (f) the Contractor has provided all training required under the EPC Contract; (g) the Contractor and UAMPS have agreed to a list of punch list items, including estimated costs and schedules completion; and (h) the generating facility has been properly constructed with no defects and all work is mechanically, electrically and structurally sound as set forth in the plans and specifications.

The EPC Contract is expected to include a guaranteed minimum capacity for the combined cycle generating facility at specified design point conditions. The EPC Contractor will be required to take remedial actions or, in certain circumstances, to pay liquidate damages if the generating facility fails to meet the capacity guarantee.

UAMPS will be responsible to pay the Contractor under the contractual arrangement cost, to be set forth in the EPC Contract. The contract price may be adjusted to account for, possibly among other things, scope of work changes from time to time under the EPC Contract. In addition to the contract price, UAMPS may be responsible to pay other costs, such as interest on delayed payments, sales tax reimbursement, costs associated with indemnification and a termination payment in the event the EPC Contract is terminated by UAMPS without cause, as authorized by the EPC Contract.

The contract price will be payable from time to time pursuant to a payment schedule provided in the EPC Contract. A percentage of each payment may be withheld as retainage, as security for the performance of Contractor's obligations under the EPC Contract. The retained amounts will be fully released upon final completion of all work under the EPC Contract by the Contractor.

The EPC Contract will specify events that constitute a default by either party, including, with respect to the Contractor, a material breach by it under the EPC Contract and, with respect to UAMPS, the failure to make payment when due (in each case, subject to specified cure periods).

In the event of a Contractor default, UAMPS may terminate the EPC Contract and take possession and use of various equipment located at the job site for the purpose of completing the remaining work, subject to the terms and conditions provided in the EPC Contract. In the event of a default by UAMPS, the Contractor may suspend service and/or terminate the EPC Contract, in which case the Contractor shall be entitled to a termination payment as specified in the EPC Contract.

THE OPERATING AGREEMENT

UAMPS may enter into an Operating Agreement to provide for the general day-to-day operation and management of the Baseload Project until an operations team has been integrated into UAMPS organization. The terms of the Operating Agreement and the identity of the operator will be approved by the Project Management Committee.

THE INTERCONNECTION AGREEMENT

The Interconnection Agreement will be the standard form Interconnection Agreement under PacifiCorp's open access transmission tariff.

UAMPS will be responsible to pay for all facilities and equipment needed for the interconnection and its own operating expenses. The Interconnection Agreement will have an initial term of 10 years, and automatically renews for successive one-year terms after the expiration of the initial term.

**MILLARD COUNTY POWER PROJECT
POWER SALES CONTRACT**

BETWEEN

UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS

AND

HEBER LIGHT & POWER COMPANY, UTAH

DATED AS OF DECEMBER 1, 2024

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**MILLARD COUNTY POWER PROJECT
POWER SALES CONTRACT**

This POWER SALES CONTRACT made and entered into as of December 1, 2024, is by and between UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS, a political subdivision of the State of Utah (“*UAMPS*”) and HEBER LIGHT & POWER COMPANY, a political subdivision of the State of Utah (the “*Participant*”).

RECITALS*

WHEREAS, UAMPS was organized by the Members under the Act and the Joint Action Agreement as a separate legal entity to accomplish the Members’ joint and cooperative action, including securing power supply resources for the Members’ present and future needs;

WHEREAS, UAMPS is organized as an energy services interlocal entity under the Act with the power, among other things, to (i) acquire supplies of electric power and energy by the acquisition or construction of electric generation and transmission facilities or by contracting for the purchase of electric power and energy and (ii) enter into contracts for the sale of the output, services and other benefits provided by such facilities or contracts to public agencies and others inside or outside the State of Utah;

WHEREAS, the Participant is authorized by applicable law to develop, acquire, construct, own and operate electric generating, transmission and related facilities and ownership interests therein and has entered into the Joint Action Agreement to provide for the joint exercise of such powers through UAMPS;

WHEREAS, UAMPS has adopted an integrated resource plan that identifies the need for an additional peaking generating resource to serve the electricity supply requirements of its Members, and has conducted studies to determine the optimal facilities, equipment and location for the additional generating resource;

WHEREAS, in order to develop a long-term source of reliable, cost-effective electricity for the benefit of those Members that elect to participate in the Project (the “*Participants*,” as defined herein), UAMPS has through its Resource Project examined and is continuing to examine the feasibility of the development, construction and operation of a natural gas-fired electric generating facility consisting of multiple reciprocating internal combustion engines to be located in Millard County, Utah (the “*Project*”);

WHEREAS, pursuant to the Power Sales Contracts, UAMPS will continue with the development of the Project and, if the Project Management Committee determines the Project to be feasible, will proceed with the acquisition, construction and operation of the Project and will sell Electric Energy from the Project to the Participants;

* Capitalized terms used and not defined in the Recitals have the meanings assigned to them in Section 1.

WHEREAS, in order to finance the Development Costs and the Cost of Acquisition and Construction of the Project, UAMPS will enter into the Financing Documents and may issue revenue bonds, notes or other obligations payable from a pledge of the payments to be made by the Participants under the Power Sales Contracts and any other revenues received by UAMPS in connection with the Project;

WHEREAS, prior to its authorization of the execution, delivery and performance by the Participant of this Power Sales Contract, the governing body of the Participant has reviewed (or caused a review to be made of) various descriptions and summaries of the Project, the Project Agreements and this Power Sales Contract, and the Participant's current and reasonably anticipated future requirements for Electric Power and Electric Energy, and the governing body of the Participant has determined that it is necessary and desirable for the Participant to enter into this Power Sales Contract in order to obtain a long-term, cost-based supply of Electric Energy by the acquisition of an Entitlement Share pursuant to the terms and conditions of this Power Sales Contract;

WHEREAS, UAMPS will cause the Project to be operated in accordance with Good Utility Practice and will schedule the Project Output in accordance with the Operating and Scheduling Procedures, all for the joint and ratable benefit of the Participants; and

WHEREAS, UAMPS and the Participant are duly authorized under applicable provisions of law, to execute, deliver and perform this Power Sales Contract and their respective governing bodies and any regulatory agencies having jurisdiction have taken all necessary actions and given all necessary approvals in order to constitute this Power Sales Contract as the legal, valid and binding obligation of the parties.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, it is agreed by and between the parties to this Power Sales Contract as follows:

Section 1. Definitions and Rules of Construction. (a). As used in this Power Sales Contract and in the Recitals set out above:

"Act" means the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended, and other applicable provisions of law.

"Additional Bonds" means additional Bonds from time to time issued by UAMPS pursuant to the Financing Documents and in accordance with Section 18.

"Additional Facilities" means capital additions, betterments and replacements and other capital items directly and functionally related to the Project, including electric transmission, fuel transportation, storage, fuel storage and related facilities, additional electric generating and related facilities located at the Project site, long-term supplies of natural gas or other fuel for the use of the Project and any other facilities, improvements and properties designated by the Project Management Committee as Additional Facilities under the Power Sales Contracts.

“Annual Budget” means the budget adopted by UAMPS for each Contract Year pursuant to the provisions of Section 24.

“Authorized Officer of UAMPS” means the Chairman of the Board of Directors, the Vice Chairman of the Board, the Secretary, the Treasurer and the Chief Executive Officer of UAMPS and any other officer or employee authorized or having delegated authority to perform specific acts or duties under the Power Sales Contracts by resolution duly adopted by the Board.

“Billing Period” means such period of time as shall be established from time to time by UAMPS for the preparation, calculation and billing of the amounts payable by the Participant hereunder.

“Board” means the Board of Directors of UAMPS or such other governing body of UAMPS as may be established from time to time pursuant to the Joint Action Agreement and the Act.

“Bond Counsel” means a firm of attorneys of recognized standing in matters relating to the tax status of municipal bonds, experienced in matters relating to public power systems and selected by UAMPS.

“Bond Fund” means the funds and accounts created by the Financing Documents for the payment of debt service on Bonds and reserves therefor.

“Bonds” means (i) bonds, notes, repayment obligations under loan agreements and lines of credit, and other debt obligations issued or incurred from time to time by UAMPS pursuant to the Financing Documents to finance Development Costs and the Cost of Acquisition and Construction, regardless of whether such bonds, notes and other obligations are senior or subordinated obligations, (ii) Additional Bonds and (iii) Refunding Bonds.

“Budget and Plan of Finance” means the comprehensive budget and plan of finance for the Development Costs, the Construction Costs and other items of the Cost of Acquisition and Construction approved from time to time by the Project Management Committee, together with proposed financing arrangements for Development Costs during the Development Period and for Construction Costs during the Construction Period, all as more fully described in Section 15.

“Capital Contribution” means (i) a capital contribution in respect of the Cost of Acquisition and Construction of, the Initial Facilities that is paid to UAMPS by the Participant pursuant to Section 17 and (ii) a capital contribution paid to UAMPS in connection with the issuance of Additional Bonds or Refunding Bonds as may be authorized by the Project Management Committee pursuant to Section 17(g).

“Capital Contribution Percentage” means with respect to each series of Bonds, a percentage calculated by UAMPS obtained by dividing (i) the dollar amount of the Capital Contribution made by the Participant, by (ii) the Reference Project Costs, all as more fully provided in Section 17(e).

“Code” means the Internal Revenue Code of 1986, as amended. References herein to the Code are deemed to include the applicable U.S. Treasury Regulations thereunder.

“Commercial Operation” means, with respect to the Initial Facilities, the date on which the Initial Facilities (i) have been substantially completed pursuant to the EPC Agreement and any other Construction Agreements that may be applicable, including the satisfaction of all required performance tests thereunder, (ii) are capable of continuous firm operation, (iii) are interconnected and synchronized with, and capable of delivering Electric Energy to, the transmission grid, (iv) have received all Permits and Approvals required for their operation, and (v) meet such additional requirements as may be established by the Project Management Committee. The criteria and standards for the Commercial Operation of any Additional Facilities shall be developed by UAMPS and submitted to the Project Management Committee for its review and approval.

“Commercial Operation Date” means, with respect to the Initial Facilities and any Additional Facilities, the date on which all of the Initial Facilities and any Additional Facilities achieve Commercial Operation, as determined by the Project Management Committee.

“Commercially Reasonable” or “Commercially Reasonable Efforts” means, with respect to any action required to be made, attempted or taken by a party under this Contract or one of the Project Agreements, such efforts as a reasonably prudent business would undertake, consistent with Good Utility Practice, for the protection of its own interest under the conditions affecting such action, including without limitation, the amount of notice of the need to take such action, the duration and type of the action, the competitive environment in which such action occurs, the terms and provisions of the Project Agreements and the Financing Documents, the contractual and legal obligations of, and the risk to, such party in connection with such action; *provided, however*, an obligation to act in a “Commercially Reasonable” manner or to exercise “Commercially Reasonable Efforts” does not include taking actions that would, individually or in the aggregate, cause the party subject to such obligation to incur costs, or suffer any other detriment, that is out of reasonable proportion to the benefits to the other party under this Contract or the Project Agreements.

“Completion of Development” means, with respect to the Initial Facilities (i) the completion of all Development Work, (ii) the receipt of all Permits and Approvals necessary for the construction of the Project, (iii) the completion of definitive forms of the principal Construction Agreements, (iv) the completion of the definitive Budget and Plan of Finance for the Cost of Acquisition and Construction, and (v) a determination by the Project Management Committee that the Project is feasible and that the construction of the Initial Facilities should proceed, all as more fully described in Section 6.

“Construction Agreements” means the EPC Agreement and each other agreement entered into by UAMPS for the acquisition and construction of any part of the Initial Facilities and any Additional Facilities.

“Construction Costs” means all of the Cost of Acquisition and Construction of the Initial Facilities incurred during the Construction Period.

“Construction Period” means the period beginning on the date that the Project Management Committee determines that the Completion of Development has occurred and UAMPS delivers the task order directing the EPC Contractor to proceed with construction under the EPC Agreement and ending on the Commercial Operation Date.

“Contract” means this Millard County Project Power Sales Contract dated as of December 1, 2024 between UAMPS and the Participant and any amendments permitted pursuant to Section 43.

“Contract Resolution” means the resolution of the Participant’s governing body approving and authorizing the execution of this Contract, in substantially the form attached to EXHIBIT III.

“Contract Year” means the Fiscal Year of UAMPS, except that the first Contract Year shall commence on the Effective Date and shall end on the last day of the then-current Fiscal Year. In the event that UAMPS changes its Fiscal Year for accounting purposes, the Contract Year shall, without further action, be amended to conform to such Fiscal Year.

“Cost of Acquisition and Construction” means all costs and expenses paid or incurred by UAMPS in connection with the acquisition and construction of the Project, whether prior or subsequent to the Effective Date, including all Development Costs. “Cost of Acquisition and Construction” includes all costs incurred by UAMPS in connection with planning, designing, acquiring, constructing and placing in operation the Initial Facilities and any Additional Facilities, and amounts paid or payable under the Construction Agreements (including all costs, fees, compensation and incentives payable to the EPC Contractor under the EPC Agreement). “Cost of Acquisition and Construction” includes, without duplication of any cost, the following:

- (1) working capital and reserve requirements of the Project, including, without limitation, amounts for deposit into the Reserve and Contingency Fund and those items set forth in the definition of Operation and Maintenance Costs, as may be determined from time to time by UAMPS;

- (2) interest accruing in whole or in part on Bonds issued to pay all or any portion of the Cost of Acquisition and Construction or the Cost of Additional Facilities prior to and during the acquisition and construction thereof and for such additional period as UAMPS may determine to be reasonably necessary for placing the Project or the Additional Facilities in operation in accordance with the provisions of the Budget and Plan of Finance;

- (3) the deposit or deposits, if any, required to be made under the Financing Documents from the proceeds of Bonds into any fund or account established pursuant to the Financing Documents to meet debt service reserve requirements for the Bonds and premiums and fees payable for any credit or liquidity facilities with respect to the Bonds;

- (4) the deposit or deposits into the Bond Fund and any other fund or account required to be funded by the Financing Documents;

(5) the payment of principal or redemption price of and interest on any Bonds issued as bond anticipation notes;

(6) planning and development costs, engineering fees, contractors' fees, fiduciaries' fees, auditors' and accountants' fees, costs of obtaining all permits and approvals, the cost of real property, labor, materials, equipment, supplies, training and testing costs, insurance premiums, legal, financial advisory and financing costs and issuance costs of the Bonds, amounts payable under the Real Estate Agreements, administrative and general costs, and all other costs properly allocable to the acquisition and construction of the Project and placing the same in operation;

(7) all costs relating to litigation, claims or judgments not otherwise covered by insurance and arising out of the acquisition, construction or operation of the Project or otherwise related to the Project, the Project Agreements, the Power Sales Contracts or the transactions contemplated thereby;

(8) payment to UAMPS or any Participant to reimburse advances and payments made or incurred for costs preliminary or incidental to the acquisition and construction of the Project;

(9) legally required or permitted federal, state and local taxes, or payments in lieu of such taxes, relating to the Project incurred during the period of the acquisition or construction thereof;

(10) the cost of long-term supplies of natural gas or other fuel supplies necessary or desirable in connection with the operation of the Project and the costs of transporting fuel supplies to the Project and prepayments and advance payments therefor, including the costs of pipelines, laterals, receiving stations or capacity rights therein; and

(11) all other costs incurred by UAMPS, and properly allocable to the acquisition and construction of the Project, including all costs financed by the issuance of Additional Bonds.

"Debt Service Costs" means, for each Billing Period of each Contract Year, an amount equal to the sum of:

(1) the interest accruing on the Bonds during such Billing Period, except to the extent that amounts are on deposit under the Financing Documents to pay such interest, together with any other amounts required by the Financing Documents to be deposited into the Bond Fund in respect of the interest payments on the Bonds;

(2) the portion of the next due principal installment on the Bonds, together with any other amounts required by the Financing Documents to be deposited into the Bond Fund in respect of the principal payments on the Bonds; provided however, that the amount included in Debt Service Costs pursuant to this clause (2) shall not include the principal of

Bonds becoming due and payable solely as a result of the acceleration of the maturity thereof;

(3) the scheduled amounts falling due during such Billing Period under any Interest Rate Contract with respect to the Bonds;

(4) any additional amounts necessary or required to be deposited into the Bond Fund or the Subordinated Indebtedness Fund under the provisions of the Financing Documents;

(5) Trustee, paying agent, escrow agent and other fiduciaries' fees and expenses payable under the Financing Documents; fees and expenses of remarketing agents, broker-dealers, auction agents and other providing services with respect to Bonds;

(6) the amounts required to be paid to maintain any credit or liquidity facilities for and ratings on the Bonds and other costs payable by UAMPS from time to time in connection with the Bonds; and

(7) the amounts required to be paid under any Financing Document that is a credit agreement, credit facility, loan agreement or other instrument or facility used to finance Development Costs, including the repayment of all drawings thereunder, the interest on such drawings and the fees, expenses and other charges payable by UAMPS thereunder;

provided, however, that the additional interest expense on or in respect of any Bonds that are subject to federal income taxation (and not eligible for tax credits or interest subsidy payments) may, as determined by the Project Management Committee pursuant to Section 16(d), be allocated to those Participants whose legal status or use of the Project Capability or the Project Output adversely affects the Tax Status of such Bonds. In the event of such allocation, the Debt Service Costs payable by such Participants shall be increased to include amounts sufficient to pay any such additional interest expense.

"Debt Service Percentage" means, with respect to each Participant and as of any date of determination, the percentage obtained by subtracting the Participant's Capital Contribution Percentage from the Participant's Entitlement Share. The Participant's initial Debt Service Percentage will be calculated at the time that it pays a Capital Contribution and will be set forth on SCHEDULE I. The Debt Service Percentages for the Participants may be calculated separately for each separate series of Bonds.

"Debt Service Share" means, with respect to each Participant and as of any date of determination, the percentage of Debt Service Costs payable by the Participant, determined by dividing the Participant's Debt Service Percentage (expressed as a decimal) by the sum (expressed as a decimal) of the Debt Service Percentages of all Participants, including the Participant whose Debt Service Share is being determined. The Participant's initial Debt Service Share will be calculated at the time that it pays a Capital Contribution and will be set forth on SCHEDULE I. The

Debt Service Shares for the Participants may be calculated separately for each separate series of Bonds.

“Decommission” means all actions necessary to safely retire and remove the Project from service, restore the Project site, satisfy the decommissioning requirements of the Permits and Approvals and satisfy all requirements of the regulatory agencies having jurisdiction over the decommissioning of the Project.

“Decommissioning Costs” means the costs and expenses of Decommissioning the Project.

“Decommissioning Fund” means the fund or funds established by UAMPS for the payment of Decommissioning Costs as provided in Section 22.

“Decommissioning Period” means the period beginning at the end of the Operating Period and continuing to the date on which the Project has been Decommissioned and all Decommissioning Costs have been paid.

“Development Cost Share” means with respect to each Participant, the percentage of Development Costs payable by the Participant during the Development Period, determined by dividing the Participant’s Development Share by the sum of the Development Shares of all Participants. The Participant’s initial Development Cost Share will be set forth on SCHEDULE D.

“Development Costs” means all costs, fees and expenses incurred by UAMPS in performing the Development Work, including (i) costs, fees and expenses incurred by UAMPS in connection with its initial consideration and examination of the Project through its Resource Project, (ii) the costs of transmission and interconnection studies and deposits for such costs and (iii) pre-construction costs approved by the Project Management Committee, including deposits, advance payments and prepayments for items of the Cost of Acquisition and Construction of the Initial Facilities.

“Development Period” means the period beginning on the Effective Date and ending on the earlier of (i) the date that the Project Management Committee determines that the Completion of Development has occurred or (ii) the date that the Project Management Committee determines to terminate the Project, all as provided in Section 6.

“Development Share” means the quantity of Electric Power from the Project elected by the Participant as of the Effective Date and shown opposite the name of the Participant in SCHEDULE D attached hereto.

“Development Work” means all work and services necessary or desirable in connection with:

- (i) the selection of the site for the Project, the negotiation of the Real Estate Agreements and all other work necessary to secure all rights and interests to the real property necessary for the Project;

(ii) obtaining the transmission and interconnection agreement(s) necessary to deliver Electric Energy from the Project to Participants;

(iii) the estimating, design and engineering work to be performed with respect to the Initial Facilities;

(iv) the development and negotiation of definitive Project Agreements and any other contracts and agreements necessary in connection with the Project;

(v) obtaining all Permits and Approvals necessary for the construction and operation of the Project;

(vi) the continued development of and updates to the Budget and Plan of Finance; and

(vii) such other work and services as shall be approved by the Project Management Committee.

“Effective Date” means (i) with respect to the initial Power Sales Contracts, the date established pursuant to the provisions of Section 2(a), and (ii) with respect to any Power Sales Contract executed by a Participant after the Effective Date, such date as shall be approved by the Project Management Committee.

“Electric Energy” means electric energy expressed in kilowatt-hours (kWh).

“Electric Power” means electric power expressed in kilowatts (kW).

“Electric System” means the Participant’s electric utility system as established, maintained and operated pursuant to applicable State and local law. With respect to any Participant that does not own and operate an electric utility system that serves retail customers, the term “Electric System” shall be deemed to refer to the applicable utility system designated in its Power Sales Contract.

“Engineering Studies and Reports” means collectively, the written studies, analysis, summaries and reports (a) regarding the Participant’s current power supply resources and projected power supply requirements provided by UAMPS in connection with the Participant’s consideration of this Power Sales Contract and (b) regarding such aspects of the Project as the Project Management Committee shall deem necessary or advisable in connection with its governance and oversight of the Project.

“Enterprise Fund” means the electric enterprise fund of the Participant as established and maintained pursuant to applicable State and local law. With respect to any Participant that does maintain an electric enterprise fund, the term “Enterprise Fund” shall be deemed to refer to the applicable enterprise fund designated in its Power Sales Contract.

“Entitlement Share” means, with respect to each Participant and as the context may require, either the amount of Electric Power or the percentage of the initial Project Capability shown opposite the name of such Participant to be set forth in the SCHEDULE I that shall be approved by the Project Management Committee in connection with the Completion of Development, as the same may be revised from time to time in accordance with the provisions of this Power Sales Contract.

“EPC Agreement” means the agreement between UAMPS and the EPC Contractor with respect to the engineering, procurement and construction of the Initial Facilities.

“EPC Contractor” means the firm or corporation appointed as the engineering, procurement and construction contractor pursuant to the EPC Agreement.

“Final Completion” (or such similar term as may be used in the EPC Agreement) means the final completion of the Initial Facilities as determined pursuant to the EPC Agreement.

“Financing Documents” means the bond resolution, indenture, trust agreement or other instrument or instruments providing for the issuance of and the security for the Bonds and all amendments thereof and supplements thereto.

“Fiscal Year” means the annual accounting period of UAMPS as from time to time in effect, initially a period commencing on April 1 of each calendar year and ending on March 31 of the next succeeding calendar year.

“Fuel Agent” means any entity appointed by UAMPS to manage or facilitate the acquisition, transportation and storage of fuel for the operation of the Project and/or the management of the costs of fuel for the Project.

“Fuel Agreement” means any agreement entered into by or on behalf of UAMPS for the acquisition, transportation or storage of fuel for the Project, and also includes tolling agreements and any agreement entered into by UAMPS to manage the cost of fuel for the Project, including options, caps, collars, swaps and similar agreements.

“Good Utility Practice” means, as of any particular time, any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry at such time, or which, in the exercise of reasonable judgment in light of facts known at such time, could have been expected to accomplish the desired results at the lowest reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others or to be limited to the lowest-cost practice, method or act, but rather to be a spectrum of possible practices, methods and acts, having due regard for manufacturers’ warranties and the jurisdiction.

“Initial Facilities” means the real and personal property, facilities, structures, improvements and equipment to be acquired and constructed in connection with the initial operation of the Project as generally described on EXHIBIT I. In connection with the Completion

of Development and at such other times as it deems necessary, UAMPS shall submit updates to EXHIBIT I to the Project Management Committee for approval.

“Interconnection Agreement” means each agreement providing for the interconnection of the Project with the facilities of a transmission provider and all supplements and amendments thereto, together with any successor or replacement agreement providing for the interconnection of the Project with the transmission grid.

“Interest Rate Contract” means any International Swap Dealers Association (ISDA) Master Agreement, together with the schedules and confirmations thereto, that is an interest rate swap, cap, floor, collar or similar agreement to manage or hedge interest rates or expenses.

“Joint Action Agreement” means the Utah Associated Municipal Power Systems Amended and Restated Agreement for Joint and Cooperative Action dated as of March 20, 2009, as amended and supplemented from time to time.

“Joint Ownership Agreement” means (i) an agreement under which UAMPS and another person own the Project or a portion thereof as tenants in common, (ii) agreements between UAMPS and another person or persons for the organization and operation of a Special Purpose Entity and (iii) any other form of joint ownership arrangement approved by the Project Management Committee.

“Members” means, collectively, each entity which has executed the Joint Action Agreement or a supplement thereto.

“Minimum Subscription” is defined in Section 2.

“Month” means a calendar month.

“Operating Agreement” means any contract between UAMPS and an Operator providing for the operation and maintenance of all or any portion of the Project.

“Operating Period” means the period beginning on the Commercial Operation Date and continuing to the date on which the Project is retired and removed from service.

“Operating and Scheduling Procedures” means those standards, procedures and criteria approved from time to time by the Project Management Committee with respect to the operation of the Project and the Project Capability and the scheduling of the Project Output which shall, to the extent practicable, promote the efficient and economic utilization of the Project, the Project Capability and the Project Output consistent with Good Utility Practice for the benefit of the Participants taken as a whole.

“Operation and Maintenance Costs” means, with respect to each Billing Period of each Contract Year, all costs and expenses (other than Transmission Costs and Debt Service Costs) attributable to the Project that are paid, payable, incurred or accrued by UAMPS during each Billing Period resulting from the ownership, operation, maintenance and termination of, and

repairs, renewals, replacements, additions, improvements, and betterments and modifications to, the Project. Operation and Maintenance Costs shall further include, without limitation, the following items of cost:

(1) the costs of operating and maintaining the Project and of producing Electric Power and Electric Energy therefrom during such Billing Period, including the operation and maintenance expenses and fuel costs of the Project pursuant to the Project Agreements, amounts payable under the Operating Agreement and each Fuel Agreement (including fees, expenses, incentives and other compensation payable to the Operator and the Fuel Agent);

(2) any amount which UAMPS may be required during such Billing Period to pay for the prevention or correction of any unusual loss or damage or for renewals, replacements, repairs, additions, improvements, modifications and betterments which arise out of or are required by the Project Agreements for which UAMPS shall be obligated, but only to the extent that funds for such payment are not provided by the issuance of Bonds or Capital Contributions made by the Participants;

(3) legally required or permitted federal, state and local taxes and ad valorem taxes or payments in lieu of ad valorem taxes, in each case related to the Project;

(4) all other amounts, including fuel costs, payable by UAMPS pursuant to the provisions of the Project Agreements;

(5) any additional amount not specified in the other items of this definition which must be paid by UAMPS during such Billing Period under the Project Agreements;

(6) the portion of UAMPS' administrative and general expenses allocable or directly charged to the Project, working capital and reserves for the payment of operation and maintenance expenses, and all other costs and expenses (but excluding depreciation) not included in the costs specified in the other items of this definition and properly chargeable to the Project;

(7) amounts to be deposited into the Reserve and Contingency Fund established pursuant to Section 20;

(8) legal, engineering and accounting fees and expenses, the cost of any litigation related to the Project, the Project Agreements, this Power Sales Contract and the interests and transactions contemplated by such agreements and this Power Sales Contract, the costs of technical and advisory services and the cost of all Permits and Approvals, all to the extent allocable to the Project;

(9) the costs of Additional Facilities, but only to the extent not paid or financed as a portion of the Cost of Acquisition and Construction; and

(10) Decommissioning Costs and amounts for deposit into the Decommissioning Fund.

“Operator” means any entity that performs all or a substantial portion of the operation and maintenance work on the Project under an Operating Agreement with UAMPS.

“Participant” means the party defined as the Participant in the preamble of this Power Sales Contract and its permitted successors and assigns hereunder.

“Participants” means the parties, including the Participant, other than UAMPS, to the Power Sales Contracts and (i) initially named on SCHEDULE D, and (ii) from and after the Completion of Development, named on SCHEDULE I.

“Participant’s Representative” means (i) the officer, employee or other agent of the Participant designated from time to time by the Participant as the Representative of the Participant for purposes of the Joint Action Agreement, to whom all notices and other communications to be given by UAMPS to the Participant hereunder shall be sent or (ii) in the event that the individual appointed as the Participant’s Representative is unavailable to act on behalf of the Participant, the individual duly appointed or designated by the Participant as its alternate Representative pursuant to the Joint Action Agreement.

“Performance Tests” means all start-up and shakedown procedures and performance tests to be conducted under the EPC Agreement before Final Completion.

“Permits and Approvals” means all certificates, permits, licenses, approvals, rulings, orders or other authorizations from any federal, state or local governmental body, board or agency having jurisdiction over UAMPS, the Project or both that are required to be obtained or maintained for the construction, operation, maintenance or repair of the Project or any component of it.

“Permitted Output Contract” means a contract that:

- (i) (A) has a term (including all renewal options) not longer than three years and is either a negotiated arrangement that provides for compensation at fair market value or is based on generally applicable and uniformly applied rates, or (B) is a requirements-type contract that provides for the sale of electricity to a retail consumer or other end user of electricity; and

- (ii) in each case (A) complies with the provisions of U.S. Treasury Regulation Section 1.141-7 and (B) is approved by UAMPS based on guidance provided by Bond Counsel.

“Point of Delivery” means the point or points of physical interconnection of the Initial Facilities or Additional Facilities, as applicable, with the electric transmission grid, as determined pursuant to the Interconnection Agreement.

“Pooling Agreement” means, collectively, the Power Pooling Agreements between UAMPS and the Members and certain other entities providing for the establishment and operation of the UAMPS Pool and related matters, including all supplements and appendices thereto and as the same may be amended, restated or supplemented from time to time.

“Power Sales Contract” means this Power Sales Contract between UAMPS and the Participant and *“Power Sales Contracts”* means all of the Power Sales Contracts, dated the date hereof, between UAMPS and the Participants, all of which are uniform in all material respects in their terms, conditions and provisions, with the exception of: (i) the Development Share, the Development Cost Share, the Entitlement Share, the Capital Contribution Percentage, the Debt Service Percentage and the Debt Service Share for each of the Participants; (ii) for those Participants that are political subdivisions of a State other than Utah, revisions relating to the Participant’s status as a political subdivision of another State and the fact that it is governed by and subject to the laws of that State; (iii) for those Participants that are cooperative utilities, revisions relating to the Participant’s corporate status, the definition of “Qualified Use” and the provisions of Section 32(f); (iv) for those Participants that do not own and operate electric utility systems that serve retail customers, the revisions noted in the definitions of “Electric System” and “Enterprise Fund” and revisions relating to the Participant’s corporate status, the definition of “Qualified Use” and the provisions of Section 32(f); and (v) the matters set forth in the Exhibits.

“Project” means the development, acquisition, ownership, construction, improvement, equipping, operation, retirement and decommissioning of the Initial Facilities and any Additional Facilities, and the rights, interests, obligations and liabilities of UAMPS under the Project Agreements and the Permits and Approvals.

“Project Agreements” means, collectively, the Construction Agreements, the Operating Agreement, the Real Estate Agreements, each Fuel Agreement, the Interconnection Agreement, the Transmission Agreements, any Joint Ownership Agreement and any other agreements entered by UAMPS to further the acquisition, development, construction, and operation of the Project.

“Project Capability” means the nominal Electric Power and associated Electric Energy that the Project is capable of producing, net of (reduced by) the Electric Power (project capability) owned by another person under a Joint Ownership Agreement. The Project Capability initially available to UAMPS shall be based on the aggregate nameplate rating of the generating units included in the Initial Facilities with such adjustments as the Project Management Committee deems necessary to reflect the actual capability of the Initial Facilities. Project Capability initially means the aggregate amount of Electric Power shown on EXHIBIT I hereto and associated Electric Energy.

“Project Management Committee” means the committee of the Participants established pursuant to Section 5 which shall make certain decisions and recommendations with respect to the operation and management of the Project as provided herein.

“Project Output” means the amount of Electric Power and Electric Energy, if any, which is actually generated by the Project in any particular hour.

“Qualified Use” means the sale of electricity to retail customers located within the Participant’s electricity “service area” pursuant to generally applicable and uniformly applied rate schedules or tariffs; *provided that:*

(a) “Qualified Use” shall not include any sale of electricity that gives rise to “private business use” or a “private loan” within the meaning of Section 141 of the Code;

(b) “Qualified Use” shall include the use of electricity by a Participant to meet its own requirements; and

(c) “Qualified Use” shall include sales of electricity under Permitted Output Contracts and other sales and uses of electricity, in each case as may be approved by UAMPS based on guidance provided by Bond Counsel.

For purposes of this definition, “service area” has the meaning assigned to such term in U.S. Treasury Regulation Section 1.148-1(e)(2)(iii) and includes any area recognized as the electricity service area of the Participant under state or federal law.

“Real Estate Agreements” means the agreements entered into by UAMPS to obtain necessary site control and easement rights for the acquisition and construction of the Project.

“Reference Project Costs” means, for purposes of calculating the amount of a Capital Contribution to be made by the Participant as provided in Section 17, the estimated Cost of Acquisition and Construction determined by UAMPS and approved by the Project Management Committee prior to the first issuance of long-term Bonds to finance the Cost of Acquisition and Construction of the Initial Facilities or any Additional Facilities. Reference Project Costs shall not include amounts for (i) costs of issuance, debt service reserves or capitalized interest on Bonds and (ii) any other items in the definitions of “Development Costs” or “Cost of Acquisition and Construction” not properly allocable to Reference Project Costs, as determined by the Project Management Committee.

“Refunding Bonds” means refunding Bonds from time to time issued by UAMPS pursuant to the Financing Documents and in accordance with Section 18.

“Required Approvals” means all governmental, regulatory and lender approvals, consents and authorizations required or necessary for (i) the execution, delivery and performance of this Contract (or any amendment hereto) by the Participant and (ii) this Contract (or any amendment hereto) to be the legal, valid and binding obligation of the Participant.

“Reserve and Contingency Fund” means the fund, if any, established pursuant to Section 20.

“Substantial Completion” (or such similar term as may be used in the EPC Agreement) means the substantial completion of the Initial Facilities as determined pursuant to the EPC Agreement.

“Super-Majority Vote” means the affirmative vote of Participants’ Representatives that represent 75% of (i) the number (per capita) of Participants’ Representatives serving on the Project Management Committee, and (ii) during the Development Period, the Development Cost Shares of all Participants or, after the Development Period, the Entitlement Shares of all Participants. For

the avoidance of doubt, in the event that a Super-Majority Vote is required when a Participant's Representative is not entitled to vote on matters before the Project Management Committee pursuant to Section 5(b)(1), such Participant's Representative and such Participant's Development Cost Share or Entitlement Share (as applicable) shall be disregarded in computing the percentages of Participants' Representatives and Entitlement Shares that have voted on the matter requiring a Super-Majority Vote.

"System Point of Receipt" means (i) the point(s) of interconnection between the Participant's electric utility system and the transmission facilities of the applicable balancing authority or authorities, or (ii) such other point(s) for the receipt by the Participant of Electric Energy from the Project as may be agreed to by the parties.

"Tax Status" means (i) the exclusion from gross income for federal income tax purposes of the interest on any Bonds issued as tax-exempt obligations, or (ii) the right of a bondowner (or other investor) to receive tax credits or the right of UAMPS to receive interest subsidy payments on any Bonds issued as tax credit bonds or interest subsidy bonds, respectively, in each case pursuant to the provisions of the Code.

"Transmission Agreements" means each transmission contract, agreement or tariff that is used or necessary for the delivery of Electric Power and Energy from the Point of Delivery to the Participant's System Point of Receipt, whether by direct transmission, displacement, exchange or otherwise.

"Transmission Costs" means, for each Billing Period of each Contract Year, all capital, operating and other costs and expenses paid, payable, incurred or accrued by UAMPS during such Billing Period for the transmission of Electric Energy from the Project to the Participant's System Point of Receipt pursuant to the Transmission Agreements or otherwise. The Participant shall be responsible for the payment of Transmission Costs to UAMPS hereunder only to the extent that UAMPS has, at the request of the Participant, entered into or utilized Transmission Agreements for the transmission of Electric Energy from the Point of Delivery to the Participant's System Point of Receipt.

"Trustee" means the bank or trust company acting as the trustee under the Financing Documents.

"UAMPS" means Utah Associated Municipal Power Systems, a political subdivision organized and existing under the laws of the State of Utah, the Act and the Joint Action Agreement, and its successors. All references to UAMPS in this Power Sales Contract shall include Authorized Officers of UAMPS and their delegates acting pursuant to specific authorization by the Board.

"UAMPS Pool" means that electric power pool or pools established pursuant to the Pooling Agreement between UAMPS and the Members under which UAMPS provides certain services with respect to the scheduling, dispatch and the sale of Electric Power and Electric Energy and other matters pursuant to the operating criteria and procedures provided for in the Pooling Agreement.

“Uncontrollable Force” means any cause, event or force beyond the control of the party affected, including, but not restricted to failure, or threat of failure of facilities, flood, earthquake, storm, fire, lightning, epidemic, war, acts of a public enemy, riot, civil disturbance or disobedience, labor dispute, labor or material shortage, sabotage, and restraint by court or public authority and action or non-action by, or inability to obtain the necessary authorizations or approvals from, any governmental agency or authority, which by exercise of due diligence and foresight such party could not reasonably have been expected to avoid and which by exercise of due diligence it shall be unable to overcome. “Uncontrollable Force” includes any cause, event or force constituting “force majeure,” “uncontrollable force” or similar term as defined in any Project Agreement.

“Uniform System of Accounts” means the Federal Energy Regulatory Commission Uniform Systems of Accounts Prescribed for Public Utilities and Licensees Subject to the Provisions of the Federal Power Act, 18 C.F.R. Part 101, as the same may be modified, amended or supplemented from time to time or such other system of accounting as may be applicable by law to UAMPS.

(b) References to Articles, Sections, Schedules and Exhibits are to the Articles and Sections of and Schedules and Exhibits to this Contract, unless otherwise provided. Article and Section headings are included herein for convenience of reference only and shall not constitute a part of this Contract for any other purpose or be given any substantive effect. Any of the defined terms may, unless the context otherwise requires, be used in the singular or the plural, depending on the reference. The use of the word “include” or its derivations shall not be construed as language of limitation.

(c) References to contracts and agreements, including the Project Agreements, refer to such contracts and agreements as they may be amended or supplemented from time to time in accordance with their respective provisions and, in the case of the Project Agreements, the provisions of Section 40.

(d) Any representation, warranty, certificate or legal opinion with respect to the enforceability of this Contract or any other contract or agreement made in or provided pursuant to this Contract shall be deemed to be qualified by reference to the effect of applicable bankruptcy, insolvency, moratorium, reorganization or similar laws affecting creditor’s rights generally and by the application of equitable principles, regardless of whether such qualification is expressly stated herein or therein.

Section 2. Effective Date and Term of Contract. (a) Promptly upon its governing body’s adoption of the Contract Resolution and its receipt of any other Required Approvals, the Participant shall (i) cause this Contract to be executed by its authorized officers, and (ii) deliver to UAMPS notice of the requested amount of its Development Share (in kW) and an executed counterpart of this Contract, together with its executed certificate (in substantially the form attached hereto as EXHIBIT III) and its executed opinion of counsel (in substantially the form attached hereto as EXHIBIT V). The Effective Date of the Power Sales Contracts shall occur on the date on which UAMPS receives executed Power Sales Contracts and the other items described in the preceding sentence from Participants that have requested Development Shares totaling 85% of the expected Project Capability as of the Effective Date (the *“Minimum Subscription”*). At its

initial meeting, the Project Management Committee shall confirm and declare that the Effective Date has occurred, shall approve any changes to the expected Project Capability and shall approve the completed form of SCHEDULE D. The Authorized Officers of UAMPS shall execute all such Power Sales Contracts as of the date that the Effective Date occurs. Once it has occurred, the Effective Date shall not be affected by any subsequent action, event or circumstance.

(b) If the Minimum Subscription is achieved but the total amount of Electric Power requested by the Participants is less than the expected amount of the Project Capability, UAMPS will during the Development Period solicit additional Project participation by third parties under Power Sales Contracts, Joint Ownership Agreements or other arrangements. Participants that have executed Power Sales Contracts may also elect to increase their Development Shares at such times and in such amounts as may be approved by the Project Management Committee up to and including the end of the Development Period. In the event that less than all of the expected Project Capability is fully subscribed at the end of the Development Period as described in this paragraph, UAMPS shall take such actions as are necessary to downsize the expected Project Capability to the amount of subscription under the Power Sales Contracts and any Joint Ownership Agreements or other arrangements. UAMPS and the Participant acknowledge and agree that it may not be possible to precisely match the final amount of the expected Project Capability with the amount of Project subscription and in this case the Project Management Committee will have the authority to approve such true up adjustments to the Entitlement Shares of all Participants as are necessary at the time that it approves the initial SCHEDULE I.

(c) This Contract will become effective upon the Effective Date, and will, unless terminated pursuant to Section 43, continue until the last to occur of : (i) the date on which all of the Project Agreements have terminated or expired in accordance with their respective terms and all obligations of UAMPS thereunder have been fully paid, satisfied or discharged; (ii) the date on which all Bonds have been paid in full as to principal, premium and interest, or sufficient funds shall have been irrevocably set aside for the full defeasance thereof and all other obligations of UAMPS under the Financing Documents have been paid or satisfied; and (iii) the date on which the Initial Facilities and any Additional Facilities shall be permanently removed from service and Decommissioned and all Decommissioning Costs shall have been paid or irrevocable arrangements have been made that fully fund all Decommissioning Costs.

Section 3. Development Share; Entitlement Share. (a) From the Effective Date through the end of the Development Period, the Participant shall have a Development Share and a Development Cost Share as set forth on SCHEDULE D. A Participant's Development Cost Share shall not exceed [__]¹ percent, unless otherwise approved by the Project Management Committee.

(b) By virtue of its Development Share and in consideration of its associated Development Cost Share, the Participant (i) shall have the right to participate in the decision-making over the development of the Project through its representative on the Project Management Committee, and (ii) shall, from and after the Completion of Development through the remaining term of this

¹ % amount will be inserted upon completion of credit review of Participant group.

Contract and without any further action on its part or by any other person, have an Entitlement Share with the same amount of Electric Power as its Development Share.

Section 4. The Project and the Initial Facilities. (a). The Project shall initially be known as the “Millard County Power Project.” The Project Management Committee may in its discretion adopt a different name for the Project at any time. In such event, all references to “Millard County Power Project” in this Contract shall be changed to the name adopted by the Project Management Committee.

(b) The Project shall consist of the Initial Facilities and any Additional Facilities approved by the Project Management Committee. A preliminary and general description of the Initial Facilities prepared by UAMPS is attached as EXHIBIT I to this Contract. EXHIBIT I shall be reviewed, modified as deemed necessary and approved by the Project Management Committee promptly after the Effective Date.

(c) As the development of the Project proceeds and as the components of the Initial Facilities are designed, engineered, constructed, installed and tested, UAMPS shall from time to time recommend revisions to EXHIBIT I to the Project Management Committee for approval in order that the description therein reasonably corresponds to the Initial Facilities being developed and constructed. EXHIBIT I shall be updated as necessary in connection with the Completion of Development. Following the Commercial Operation Date, UAMPS shall prepare and submit to the Project Management Committee for its review and approval a completed EXHIBIT I that includes a final description of the Initial Facilities and the Project Capability. UAMPS and the Participant agree that in no event will any revisions to EXHIBIT I alter or affect their respective rights and obligations under this Contract.

Section 5. Project Management Committee. (a). The Participants hereby establish the Project Management Committee, which shall consist of one voting representative from each Participant (who shall be the Participant’s Representative) and shall be chaired by a Participant’s Representative elected by the Project Management Committee. Pursuant to the Contract Resolution, the Participant has delegated full and complete authority to its Participant’s Representative to act on all matters and decisions that come before the Project Management Committee. Each Representative appointed by the Participant shall serve on the Project Management Committee until the Participant appoints a successor. An Authorized Officer of UAMPS shall attend all meetings of the Project Management Committee and shall cause minutes to be kept of all such meetings.

(b) The Joint Action Agreement and the bylaws of UAMPS shall govern the procedures for and the voting rights on the Project Management Committee, *provided that*:

(1) The Participant’s Representative of any Participant that is in default hereunder (A) shall not be entitled to vote on any matter during the period of such default. and the consent or approval of such Participant or such Participant’s Representative shall not be required during the existence of such default and (B) shall be disregarded for purposes of determining whether a quorum of the Project Management Committee is present at any meeting;

(2) A Super-Majority vote of all Project Management Committee Representatives shall be required on all decisions which would result in the termination of the Project; and

(3) All decisions made by the Project Management Committee shall be made by resolution, order or other appropriate action of the Project Management Committee and, except in those instances when the Project Management Committee is acting pursuant to delegated authority from the Board, before such resolution, order or action of the Project Management Committee shall take effect, the same shall be ratified and approved by resolution, order or action of the Board, acting in accordance with the Joint Action Agreement and the bylaws of UAMPS.

The Participants acknowledge that the Joint Action Agreement provides, among other things, that decisions of the Board with respect to the Project shall be made only upon the recommendation of the Project Management Committee and that weighted votes may be called for on any recommendation or decision to be made by the Project Management Committee or the Board, respectively, all as more fully provided in the Joint Action Agreement.

(c) In addition to its other responsibilities under the Power Sales Contracts, the Project Management Committee shall:

(1) review, provide advice and recommendations to and consult with UAMPS regarding the Project,

(2) supervise, review and monitor the Development Work and the development of the Project in accordance with Section 6 and the other applicable provisions of the Power Sales Contracts and the resolutions of the Project Management Committee;

(3) review, provide advice and recommendations to UAMPS on, and approve the Project Agreements and any modifications or amendments thereto;

(4) supervise and provide direction to UAMPS during the construction of the Project, including approval of the construction budget for the Project and approval of all notices to proceed and notices to construct given by UAMPS under the EPC Agreement;

(5) review, approve and revise from to time the Budget and Plan of Finance for the Initial Facilities and any Additional Facilities;

(6) review, approve and provide advice and direction to UAMPS with respect to the issuance of Bonds, Additional Bonds and Refunding Bonds

(7) review, provide advice and recommendations to and consult with UAMPS regarding the Commercial Operation Date of the Initial Facilities, and the Performance Tests for and the Substantial Completion and the Final Completion of the Facility under the EPC Agreement;

(8) determine and declare the Project Capability upon the Final Completion of the Project and from time to time thereafter as it deems necessary to reflect the actual capability of the Project;

(9) review and approve the Operating and Scheduling Procedures, any Operator of the Project and any Operating Agreement;

(10) review and consult with UAMPS regarding the acquisition and management of supplies of natural gas and any other necessary fuels for the Project and review and approve each Fuel Agreement and any Fuel Agent to be appointed by UAMPS;

(11) review, recommend and approve any Additional Facilities;

(12) assist with the resolution of any billing disputes as provided in Section 28;

(13) review, recommend and consult with UAMPS regarding any actions or remedies to be taken by UAMPS under Sections 34 and 35 of the Power Sales Contracts.

UAMPS and the Participant acknowledge and agree that the responsibilities of the Project Management Committee with respect to the Project are complete and comprehensive and are not limited to the specific responsibilities enumerated herein.

(d) The Project Management Committee may from time to time direct UAMPS to commission, obtain and provide such Engineering Studies and Reports that the Project Management Committee deems reasonably necessary or desirable with respect to the Project. The Project Management Committee shall be entitled to rely upon such Engineering Studies and Reports with respect to its determinations and decisions with respect to the Project, including particularly its determinations under Section 6.

Section 6. Development Period and Development Work. (a) During the Development Period, UAMPS shall use Commercially Reasonable Efforts to cause the Development Work to proceed in an expeditious and economical manner. UAMPS shall (i) report not less frequently than monthly to the Project Management Committee (unless otherwise approved by the Project Management Committee) with respect to the progress of the Development Work and the Development Costs incurred or expended, (ii) recommend from time to time revisions and updates to the Budget and Plan of Finance to the Project Management Committee, and (iii) act consistently with and in furtherance of the directions given to it by the Project Management Committee.

(b) Promptly after the Effective Date of the Power Sales Contracts, the Project Management Committee shall by resolution establish a maximum target price for cost of energy (\$/MWh) from the Project (the "*Target Price*"). The Target Price shall be the maximum cost of energy expected to be payable by the Participants under the Power Sales Contracts, and shall exclude only Transmission Costs, taking into account the information and assumptions utilized in the Development Work and the Budget and Plan of Finance. Such resolution shall establish such determination dates based on Project development milestones as the Project Management Committee deems necessary for determining whether the expected cost of energy from the Project

exceeds the Target Price, together with such other matters as the Project Management Committee deems necessary or desirable. A determination by the Project Management Committee that the Target Price is exceeded as of any such determination date, shall constitute a determination by the Project Management Committee to terminate the Project.

(c) In addition to a determination under paragraph (b), the Project Management Committee may by a Super-Majority Vote suspend or terminate the Project at any time during Development Period upon its determination that the Project is not feasible for any reason. UAMPS shall give prompt written notice to all Participants of any such determination of the Project Management Committee under paragraph (b) above or this paragraph (c). In the event that the Project Management Committee determines to terminate the Project during Development Period, UAMPS shall proceed to wind up the Project and the Development Work, determine the remaining amount of the Development Costs and submit billings to the Participants for such Development Costs and the amount necessary to repay and retire any Bonds or obligations that have been issued or incurred to finance Development Costs.

(d) Upon substantial completion of the Development Work, including the Project Agreements and receipt of the Permits and Approvals (or an indication of the terms and conditions thereof), UAMPS will conduct a review and analysis and report to and consult with the Project Management Committee regarding the actions necessary to complete the Development Work, the terms and conditions of the Project Agreements and the Permits and Approvals and the definitive Budget and Plan of Finance, and will make recommendations to the Project Management Committee as to whether the Project should proceed to the Construction Period.

(e) Following its review of the report and recommendations of UAMPS, the Project Management Committee will in its discretion:

- (i) determine whether or when Completion of Development has occurred;
- (ii) review and approve definitive engineering and feasibility studies for the Initial Facilities, and such other materials as it deems necessary in order to determine that construction and operation of the Initial Facilities is feasible and should proceed;
- (iii) review and approve the definitive Budget and Plan of Finance for the Cost of Acquisition and Construction of the Initial Facilities;
- (iv) make a determination by a Super-Majority Vote as to whether construction of the Project is feasible and whether the Project should proceed to the Construction Period;
- (v) approve the Power Sales Contracts to be entered into with any new Participants any additional terms and conditions for their participation in the Project; and
- (vi) review and approve the initial SCHEDULE I for the Project.

A determination by the Project Management Committee that construction of the Initial Facilities is not feasible and should not proceed to the Construction Period will result in termination of the

Project; notwithstanding any such termination, this Contract shall remain in effect until the conditions described above and in Section 2(b) have been satisfied.

(f) Upon a determination by the Project Management Committee that construction of the Initial Facilities is feasible and the Project should proceed to the Construction Period, UAMPS will then execute the Project Agreements, the Construction Contracts for the Initial Facilities and finance the Cost of Acquisition and Construction of the Initial Facilities through the issuance of Bonds.

(g) UAMPS may from time to time recommend the acquisition or construction of Additional Facilities to improve or add to the Project. Any such Additional Facilities shall be approved by the Project Management Committee. UAMPS may issue Bonds or incur other obligations pursuant to the Financing Documents to finance all or a portion of the costs incurred in the Development Work and construction of the Additional Facilities.

Section 7. Joint Ownership Agreement. As a part of the Development Work and to the extent authorized by the Project Management Committee, UAMPS may also solicit indications of interest from other entities regarding the acquisition of ownership interest in the Initial Facilities. Subject to the negotiation of a definitive Joint Ownership Agreement and the approval of the Project Management Committee, UAMPS may sell a portion of its ownership interest in the Initial Facilities to another entity. UAMPS shall make recommendations to the Project Management Committee regarding (i) the terms and provisions of any Joint Ownership Agreement, and (ii) the identity, operating experience and financial capability of the joint owner under a Joint Ownership Agreement and its ability to meet its obligations thereunder, each of which shall be subject to the approval of the Project Management Committee.

Section 8. Construction Period. (a) The Construction Period shall commence upon the determination of the Project Management Committee that Completion of Development has occurred. During the Construction Period, UAMPS shall (i) cause the construction of the Project to proceed in an expeditious and economical manner pursuant to the Construction Agreements and other Project Agreements, (ii) monitor the performance of the contractors under the Construction Agreements, and (iii) report to the Project Management Committee with respect to the progress of the acquisition and construction of the Project as provided herein.

(b) UAMPS shall perform its obligations under the Construction Agreements and shall:

(i) use Commercially Reasonable Efforts consistent with and subject to the terms and provisions of the Project Agreements to cause the Project to be expeditiously and economically acquired and constructed pursuant to the Construction Agreements;

(ii) diligently defend and protect the rights of UAMPS and the Project under the Construction Agreements and enforce the contractors' obligations thereunder;

(iii) monitor the performance of the contractors under the Construction Agreements and report promptly to the Project Management Committee with respect to any default or event of default under the Construction Agreements;

(iv) report not less frequently than monthly to the Project Management Committee (unless otherwise approved by the Project Management Committee) regarding the current status of construction and any changes to the estimated Commercial Operation Date and the estimated Cost of Acquisition and Construction; and

(v) give prompt notice to the Project Management Committee and the Participant of the occurrence of the Commercial Operation Date of the Initial Facilities and any Additional Facilities.

(c) As soon as practicable after the Commercial Operation Date of the Initial Facilities, UAMPS shall prepare a complete statement and reconciliation of the final (or substantially final) Cost of Acquisition and Construction of the Initial Facilities and submit the same to the Project Management Committee for its review and acceptance. In the event that a substantially final statement of the cost of construction of the Initial Facilities is submitted to and accepted by the Project Management Committee, UAMPS shall provide periodic reports to the Project Management Committee regarding the remaining items of the Cost of Acquisition and Construction of the Initial Facilities until a final statement is available for its review and approval.

Section 9. Operation and Maintenance of the Project. UAMPS covenants and agrees that, during the Operating Period, it will use Commercially Reasonable Efforts consistent with and subject to the terms and provisions of the Project Agreements to cause the Project to be operated, maintained and managed in an efficient and economical manner in accordance with Good Utility Practice for the joint and ratable benefit of all of the Participants. UAMPS agrees with and covenants to the Participant that UAMPS will vigorously enforce and defend its rights under the Project Agreements. The Participant acknowledges and agrees that UAMPS may, upon the approval of the Project Management Committee, from time to time enter into amendments of and supplements to any or all of the Project Agreements and that, except as otherwise required by Section 40, UAMPS will not be required to obtain the consent or approval of the Participant in connection with any such supplement or amendment.

Section 10. Scheduling of Electric Energy; Coordination with UAMPS Pool. (a) From and after the Commercial Operation Date of the Project, the Participant shall be entitled to use the Electric Energy allocable to the Participant's Entitlement Share. UAMPS shall schedule or cause to be scheduled such Electric Energy in accordance with the Operating and Scheduling Procedures approved by the Project Management Committee. UAMPS shall provide the Participant with notice of any amendment to or modification of the Operating and Scheduling Procedures.

(b) At any time the Project is operable or operating the Participant shall not be entitled to use in any hour Electric Energy in excess of that which is allocable to the Participant's Entitlement Share, unless arrangements have been made for a planned purchase of such Electric Energy through the UAMPS Pool. The Participant agrees that, prior to the first delivery of Electric Energy under this Power Sales Contract, it will execute and deliver to UAMPS an appendix to the Pooling Agreement (in a form approved by the Project Management Committee) that assigns the Electric Energy allocable to the Participant's Entitlement Share to the UAMPS Pool. Any surplus Electric Energy attributable to the Participant's Entitlement Share shall be sold or otherwise disposed of by the Participant only in accordance with the provisions of such appendix to the Pooling

Agreement. In addition to any sales of surplus Electric Energy requested by the Participant through the UAMPS Pool, UAMPS will utilize Commercially Reasonable Efforts to sell, exchange or otherwise dispose of any incidental surplus Electric Power and Electric Energy attributable to the Project for the benefit of the Participants.

(c) Prior to the first delivery of Electric Energy under this Power Sales Contract, the Participant shall provide to UAMPS a written schedule of the Participant's available electric resources and the order in which such resources are to be applied to meet the Participant's requirements for Electric Power and Electric Energy. UAMPS shall verify all such resources and promptly notify the Participant of any rejection of such resources. The Participant may revise or modify such schedule upon written notice to UAMPS at least one business day prior to the beginning of any Billing Period.

Section 11. Point of Delivery; Risk of Loss. (a) The Electric Energy allocable to the Participant's Entitlement Share shall be delivered at the Point of Delivery. The Participant shall be responsible for, and shall pay all costs associated with, (i) the transmission of such Electric Energy from the Point of Delivery to its System Point of Receipt and (ii) the distribution and delivery of Electric Energy from its System Point of Receipt to its customers.

(b) Upon the request of the Participant, UAMPS will use Commercially Reasonable Efforts to enter into one or more Transmission Agreements, or will utilize its transmission rights under existing Transmission Agreements, to provide for transmission service for the Electric Energy allocable to the Participant's Entitlement Share from the Point of Delivery to the Participant's System Point of Receipt. Any future Transmission Agreements entered into by UAMPS for or on behalf of the Participant shall be approved by UAMPS and the Participant, and the Participant shall pay all Transmission Costs thereunder. The Participant agrees that it shall maintain (or cause UAMPS to maintain) during the term of this Contract, such Transmission Agreements as shall be necessary for the firm transmission of the Electric Energy allocable to its Entitlement Share from the Point of Delivery to its System Point of Receipt, except as may be otherwise approved by the Project Management Committee. The Participant shall provide UAMPS with copies of all Transmission Agreements utilized by it and with such other information regarding its transmission arrangements as UAMPS may reasonably request.

(c) From and after the Commercial Operation Date of the Project, the Participant shall be obligated to maintain an appropriate power factor at the Participant's System Point of Receipt consistent with the provisions of the Transmission Agreements. Should the power factor, as metered at such System Point of Receipt, not be maintained within the limits established under the Transmission Agreements, the Participant shall be notified and requested to correct such power factor. If the Participant has not begun corrective action at the end of 90 days, UAMPS may take corrective action and the Participant shall be obligated to reimburse or compensate UAMPS for all sums expended and all services contracted for or performed by UAMPS or for which UAMPS shall be obligated relating to such corrective action.

(d) Electric Energy delivered hereunder and risk of loss shall pass from UAMPS to the Participant at the Point of Delivery. As between the parties to this Contract, UAMPS shall be deemed to be in exclusive control and possession of the Electric Energy delivered hereunder, and

responsible for any damage or injury caused thereby, prior to the time such Electric Energy shall have been delivered to the Participant at the Point of Delivery. After delivery of Electric Energy to the Participant at the Point of Delivery, the Participant shall be deemed to be in exclusive control and possession thereof and responsible for any injury or damage caused thereby. UAMPS assumes all liability for and shall indemnify, defend and hold harmless the Participant (individually) from any claims, including death of persons, arising from any act or incident occurring when title to Electric Energy is vested in it. All costs and expenses incurred by UAMPS under the foregoing indemnity shall constitute a Cost of Acquisition and Construction or an item of Operation and Maintenance Costs, as determined by the Project Management Committee. To the extent permitted by law and solely to the extent of the revenues of its Electric System and any available insurance proceeds, the Participant assumes all liability for and shall indemnify, defend and hold harmless UAMPS and the other Participants from any claims, including death of persons, arising from any act or incident occurring when title to Electric Energy is vested in it.

Section 12. Interruption or Reduction of Deliveries. UAMPS may interrupt or reduce deliveries under this Power Sales Contract of Electric Energy if: (a) the Operator has determined that such interruption or reduction is necessary in case of emergencies affecting the Project, in order to install equipment, to make repairs and replacements to, to make investigations and inspections of, or to perform maintenance work on, the Project or otherwise carry out its obligations as Operator under the Operating Agreement; (b) Electric Energy from the Project is otherwise unavailable whether due to an event of Uncontrollable Force or otherwise; or (c) the transmission of Electric Energy from the Project is interrupted or curtailed by the balancing area authority or other transmitting utility. In order that the operation of the Participant's Electric System will not be unreasonably interrupted or interfered with, UAMPS will, to the extent necessary, use Commercially Reasonable Efforts to make arrangements to serve the Participant's load through other projects of UAMPS or the UAMPS Pool. UAMPS will also use Commercially Reasonable Efforts, consistent with the provisions of the Project Agreements and the other Power Sales Contracts, to arrange for any planned interruption or reduction in the Project Output to be scheduled at a time which will cause the least interference with the operation of the Participant's Electric System.

Section 13. Availability of Electric Energy. (a) Except as provided otherwise by this Power Sales Contract and subject to the provisions of the Project Agreements, Electric Energy allocable to the Participant's Entitlement Share shall be made available in accordance with this Power Sales Contract during the term hereof; *provided, however*, that nondelivery of Electric Energy hereunder for any reason whatsoever (1) shall not relieve the Participant from its obligation to make its payments under Section 27 and (2) shall not impose any liability upon UAMPS for any direct or consequential damages suffered by the Participant.

(b) The Participant acknowledges and agrees that deliveries of the Electric Energy allocable to its Entitlement Share are not firm and are contingent upon the operation of the Project, the availability of transmission and other factors. The Participant agrees that it is solely responsible for any firming transactions with respect to its Entitlement Share.

Section 14. Insurance. UAMPS shall maintain, or during the Construction Period shall cause the EPC Contractor to maintain, in force, as part of the Cost of Acquisition and Construction

or Operation and Maintenance Costs, as appropriate, insurance with responsible insurers with policies against risk or direct physical loss, damage or destruction of the Project, including liability insurance and employers' liability insurance, all to the extent consistent with Good Utility Practice and to the extent available at reasonable cost, but in no case less than will satisfy applicable regulatory requirements and requirements of the Financing Documents.

Section 15. Budget and Plan of Finance. (a) The Budget and Plan of Finance for the Initial Facilities shall include the following information:

- (i) the amount of Development Costs incurred to the date of the Budget and Plan of Finance and the estimated total Development Costs to the Completion of Development;
- (ii) the estimated Cost of Acquisition and Construction;
- (iii) the estimated timeline for the development and construction of the Initial Facilities to the Commercial Operation Date;
- (iv) the estimated levelized cost of energy (\$/MWh) for Project Output sold to the Participants under the Power Sales Contracts (which may be a range of such costs);
- (v) the proposed funding and financing arrangements for all Development Costs during the Development Period; including Bonds and other funding and financing arrangements; and
- (vi) such other information as may be required to be included in the Budget and Plan of Finance by the Project Management Committee.

(b) UAMPS and the Participant acknowledge and agree that as of the Effective Date, (i) UAMPS has not obtained the Permits and Approvals necessary for the construction and operation of the Project, (ii) the overall development of the Project is at a preliminary stage, and (iii) a definitive estimate of the Cost of Acquisition and Construction will not be available until the Completion of Development. Accordingly, the parties acknowledge and agree that the information contained in the initial Budget and Plan of Finance is necessarily preliminary and is subject to change based on, among other things, additional information that becomes available to UAMPS during the Development Period, the negotiation of the terms and provisions of the Project Agreements, the terms and conditions of the Permits and Approvals, and the development and negotiation of funding sources and financing arrangements for Development Costs and the Cost of Acquisition and Construction.

(c) The Budget and Plan of Finance shall be updated by UAMPS from time to time during the Development Period as necessary. Each update of the Budget and Plan of Finance shall be subject to the approval of the Project Management Committee.

Section 16. Financing of the Project. (a) UAMPS shall finance the portion of the Cost of Acquisition and Construction of the Initial Facilities that is not paid from Capital Contributions

made by the Participants through the issuance of one or more series of Bonds pursuant to the Budget and Plan of Finance approved by the Project Management Committee.

(b) Unless otherwise approved by the Project Management Committee, the Budget and Plan of Finance shall provide for the financing of all Development Costs, Construction Costs and other Costs of the Initial Facilities to a date not earlier than the estimated Commercial Operation Date of the Initial Facilities with the objective that the Participant will not be required to make any payments to UAMPS in respect of Debt Service Costs until a date that is after the estimated Commercial Operation Date. UAMPS shall use Commercially Reasonable Efforts to structure and implement the financings for the Development Costs and Construction Costs of the Initial Facilities to achieve this result. The Participant acknowledges and agrees that UAMPS cannot guarantee that it will be able to achieve this result, and under certain circumstances it may be necessary for UAMPS to submit billings to the Participant pursuant to Section 26 to enable it to pay Development Costs.

(c) UAMPS and the Participant acknowledge and agree that:

(i) as of the Effective Date, (A) UAMPS has not obtained the Permits and Approvals necessary for the construction and operation of the Project, and (B) the overall development of the Project is at a preliminary stage;

(ii) UAMPS shall use Commercially Reasonable Efforts to obtain all such Permits and Approvals as a part of the Development Work during the Development Period;

(iii) the Development Costs incurred by UAMPS will be financed by the issuance of Bonds;

(iv) in the event that UAMPS is unable to obtain transmission service for Project Output on reasonable terms, is unable to obtain the required Permits and Approvals for the construction and operation of the Project or the Project Management Committee determines that the continued development of the Project is not feasible for any reason, the Project Management Committee may determine to terminate the Project as provided herein; and

(v) if the Project Management Committee determines to terminate the Project during the Development Period, the Project will not be completed and the Participant will be required to pay, among other things, its Development Cost Share of all Development Costs incurred and its Development Cost Share of Debt Service Costs until all Bonds previously issued are fully paid and retired, as provided in Section 6.

(d) Each Participant may elect to make a Capital Contribution to UAMPS pursuant to Section 17. Prior to the giving by UAMPS of the notice required by Section 17(a), the Project Management Committee shall determine whether any additional interest expense on or in respect of any Bonds that are subject to federal income taxation shall be allocated to those Participants whose legal status or use of Project Output requires the issuance of such Bonds. In the event the Project Management Committee determines to make such allocation, the notice required by

Section 17(a) shall include such information as shall be necessary to generally inform the affected Participants of the additional Debt Service Costs that may be payable by them in the event they elect not to make a Capital Contribution.

Section 17. Capital Contributions. (a) Prior to the first issuance of long-term Bonds to finance the Cost of Acquisition and Construction of the Initial Facilities, UAMPS shall give written notice to the Participant of:

- (i) its right to elect to make a Capital Contribution;
- (ii) the date by which it must notify UAMPS of its election, which shall be not earlier than 30 days after the date of such notice;
- (iii) the applicable Reference Project Costs; and
- (iv) the maximum amount of the Participant's Capital Contribution, which shall be an amount equal to the product of (A) such Reference Project Costs and (B) the ratio of the Entitlement Share of the Participant to the Entitlement Shares of all Participants.

The Participant may elect to make a Capital Contribution only from the retained earnings of its Electric System or other legally available funds not derived from any external borrowing.

(b) The Participant's election to make a Capital Contribution shall be made by written resolution adopted by its governing body. An original or certified copy of such resolution shall be submitted to UAMPS with the Participant's notice of its election to make the Capital Contribution. In the event that the Participant does not notify UAMPS of the determination of its governing body by the date specified in the notice provided by UAMPS, the Participant shall be deemed to have elected not to make a Capital Contribution.

(c) Following receipt of the Participant's election to make the Capital Contribution, UAMPS will provide the Participant with notice of:

- (i) the date (which shall be not earlier than 30 days after the date of such notice) by which the Participant must make the Capital Contribution;
- (ii) instructions for the deposit of the Capital Contribution into a separate and segregated special escrow account established under the Financing Documents; and
- (iii) a written statement of information regarding UAMPS, the Project and the Project Agreements for the Participant's use in any offering material for any indebtedness to be issued to finance the Capital Contribution.

The Capital Contribution shall be held and invested in accordance with the provisions of the Financing Documents, which shall provide for the investment of the Capital Contribution, the crediting of any interest earnings for the account of the Participant and the application of the Capital Contribution by the Trustee upon the direction of UAMPS to fund a portion of the Cost of

Acquisition and Construction of the Initial Facilities, and for deposit into certain funds and accounts established by the Financing Documents. If the Participant fails to make the Capital Contribution as and when required by the UAMPS' notice, it shall be deemed to have rescinded its election to make the Capital Contribution.

(d) The Participant acknowledges and agrees that the amount of the Capital Contribution to be made by the Participant will be based upon an estimate of the Cost of Acquisition and Construction of the Initial Facilities, which estimates will be subject to adjustment to reflect the final Cost of Acquisition and Construction of the Initial Facilities approved by the Project Management Committee. Not more than 30 days following the determination of the final Cost of Acquisition and Construction of the Initial Facilities, UAMPS shall deliver a final accounting statement to the Participant showing the Cost of Acquisition and Construction, the amount of and interest earnings on the Capital Contribution and any amounts payable by or credited to the Participant in respect of the final Cost of Acquisition and Construction. The Participant agrees that it will pay any additional amount payable by it shown on such accounting statement on or before the 30th day following the date of such final accounting statement, or on such later date as may be approved by the Project Management Committee.

(e) After Capital Contributions have been made by all electing Participants, UAMPS shall complete (or revise, as applicable) SCHEDULE I and provide a copy of the completed or revised SCHEDULE I to each of the Participants. With respect to all Participants and at all times, SCHEDULE I shall show that:

(i) the sum of each Participant's Capital Contribution Percentage and Debt Service Percentage equals its Entitlement Share;

(ii) the sum of the Capital Contribution Percentages and Debt Service Percentages of all Participants equals 100%; and

(iii) the sum of the Debt Service Shares of all Participants equals 100%.

UAMPS' calculation and determination of the Development Costs and the Cost of Acquisition and Construction of the Initial Facilities and the Participant's Capital Contribution Percentage, Debt Service Percentage and Debt Service Share in accordance with (i), (ii) and (iii) above shall be subject to the approval of the Project Management Committee, and upon such approval shall be conclusive and binding upon UAMPS and the Participant. UAMPS shall revise SCHEDULE I from time to time as provided herein so that it sets forth the correct Entitlement Shares, Capital Contribution Percentages, Debt Service Percentages and Debt Service Shares of all Participants.

(f) The Participant acknowledges and agrees with UAMPS that:

(i) its election to make a Capital Contribution shall be irrevocable and under no circumstances whatsoever shall the Participant be entitled to a return or rebate of all or any portion of any Capital Contribution in the event that Uncontrollable Force, termination of any Project Agreements or other circumstances result in the suspension, interruption, interference, reduction, curtailment or termination of the Project or the Project Output;

(ii) the Capital Contribution shall not be deemed to constitute an investment by the Participant and the Participant shall not be entitled to any investment earnings or rate of return on the Capital Contribution, except with respect to interest earnings on the Capital Contribution pending its application as provided above; and

(iii) any Capital Contribution made by the Participant shall not change or affect UAMPS' ownership in the Project or any of the rights and obligations of UAMPS and the Participant under this Contract, except as specifically provided herein, including the right of UAMPS to suspend or terminate the Participant's right to receive the Electric Energy allocable to its Entitlement Share as provided in Section 34.

(g) In connection with the issuance of Additional Bonds or Refunding Bonds, the Project Management Committee may determine to provide Participants with the option of making a capital contribution with respect to the Costs of the Project being financed or refinanced by the Additional Bonds or Refunding Bonds under procedures and standards substantially similar to those set forth in this Section, with such adjustments as the Project Management Committee shall determine to be advisable. Any capital contribution made by a Participant pursuant to this paragraph (g) shall constitute a Capital Contribution for all purposes of the Power Sales Contracts.

Section 18. Additional Bonds and Refunding Bonds. (a) Additional Bonds may be sold and issued by UAMPS in accordance with the provisions of the Financing Documents at any time and from time to time for the purpose of financing the Cost of Acquisition and Construction. UAMPS may incur other obligations pursuant to the Financing Documents to achieve purposes deemed beneficial to the Project.

(b) Any Additional Bonds shall be secured by the pledge made pursuant to the Financing Documents of the payments required to be made by the Participant under Section 27, as such payments may be increased and extended by reason of the issuance of Additional Bonds, and of other revenues of UAMPS attributable to the Project. Additional Bonds may be issued in amounts sufficient to pay the full amount of such costs and to provide such reserves as may be determined by UAMPS to be reasonably necessary. In the event that the Project Management Committee approves the issuance of Additional Bonds, it shall determine whether to make a capital contribution option available to the Participants and the procedures therefore.

(c) In the event Debt Service Costs may be reduced by the refunding of any Bonds then outstanding or in the event it shall otherwise be advantageous, in the opinion of UAMPS, to refund any Bonds, UAMPS may issue and sell Refunding Bonds in accordance with the Financing Documents.

Section 19. Pledge of Payments. All payments required to be made by the Participant pursuant to Section 27, together with other revenues of UAMPS attributable to the Project may be pledged by UAMPS pursuant to the Financing Documents to secure the payment of Bonds and any Additional Bonds or Refunding Bonds.

Section 20. Reserve and Contingency Fund. (a) In addition to various funds and accounts established under the Financing Documents, UAMPS may, upon the approval of the Project

Management Committee, establish an additional fund with respect to the Project known as the “Reserve and Contingency Fund” to be funded, held and applied as provided herein. Amounts on deposit in the Reserve and Contingency Fund may be used to pay or provide reserves for unusual or extraordinary Operation and Maintenance Costs, renewals, repairs, replacements, additions or betterments of or to any items included in the Project, the cost of any Additional Facilities or the cost of or reserves for the retirement, decommissioning and termination of the Initial Facilities and any Additional Facilities that will not be paid from the Decommissioning Fund.

(b) The Project Management Committee may direct UAMPS to include in the Annual Budget adopted pursuant to Section 24 an amount for deposit into the Reserve and Contingency Fund. This amount may represent either an appropriation of excess revenues from the operation of the Project during the preceding Fiscal Year or amounts to be billed to and collected from the Participants as an item of Operation and Maintenance Costs during the Fiscal Year covered by the Annual Budget.

Section 21. Damage, Destruction or Condemnation. Subject to the provisions of the Project Agreements, UAMPS shall use Commercially Reasonable Efforts to collect or cause to be collected amounts arising from insurance proceeds, condemnation awards, damages due from contractors, subcontractors or others and proceeds from the sale or other disposition of surplus property, all related to the Project, and shall apply all receipts, revenues and other moneys received by it or credited to it from the foregoing sources to the repair, reconstruction or replacement of the Project, to the retirement or defeasance of Bonds (in whole or in part), by purchase, redemption or other arrangements therefor, to the payment of other costs and expenses of UAMPS in connection with the Project or to the credit, pro rata, of the Participants, based upon their Entitlement Shares in the Project, all as provided in the Financing Documents.

Section 22. Decommissioning. Upon the retirement of the Project and its removal from service, UAMPS shall take all actions necessary to Decommission the Project. The Decommissioning Fund shall be established as a separate and segregated trust fund or escrow account, and the amounts in the Decommissioning Fund shall be used solely for the payment of Decommissioning Costs and necessary administrative and other charges. The Decommissioning Fund may be funded by a prepayment, by sinking fund deposits or by another method approved by the Project Management Committee. Pending the application of amounts on deposit in the Decommissioning Fund to pay Decommissioning Costs, the Decommissioning Fund may be invested as provided in the trust or escrow agreement. Any amounts remaining in the Decommissioning Fund upon the completion of the Decommissioning of the Project shall be applied or disbursed at the direction of the Project Management Committee.

(b) The Project Management Committee may direct UAMPS to establish other funds or accounts to provide additional reserves for the payment of Decommissioning Costs.

Section 23. Disposition or Termination of the Project. (a) Except as otherwise provided in the Power Sales Contracts, UAMPS shall not sell, lease or otherwise dispose of the Project or any substantial part of the Project without the approval of the Project Management Committee by a Super-Majority Vote. Subject to the provisions of the Financing Documents and the Project

Agreements, this Section shall not prohibit a merger or consolidation or sale of all or substantially all of the property of UAMPS.

(b) Subject to the applicable provisions of the Project Agreements, if the Project shall be terminated, UAMPS shall use Commercially Reasonable Efforts to cause the Project to be economically salvaged, discontinued, disposed of or sold in whole or in part. UAMPS shall make accounting statements for each Billing Period to the Participant of all costs and any net proceeds associated therewith. Such accounting statements shall continue for such Billing Periods until the Project has been salvaged, discontinued or finally disposed of, at which time a final accounting statement with respect thereto shall be made by UAMPS at the earliest reasonable time. The costs of salvage, discontinuance or disposition shall include, but shall not be limited to, all accrued costs and liabilities resulting from the acquisition, construction, operation or maintenance of and renewals and replacements to the Project. Such costs and, subject to the provisions of the Financing Documents, the net proceeds, if any, from the sale or salvage of Project components or assets shall be allocated among the Participants based upon their respective Entitlement Shares.

Section 24. Annual Budget; Accounting. (a) On or before 15 days prior to the estimated commencement of the first Contract Year and on or before the beginning of each Contract Year thereafter, UAMPS shall prepare and mail to the Participant an Annual Budget for the Project recommended by the Project Management Committee and approved by the Board, based, to the extent appropriate, on budgets received under the Project Agreements, showing an annual estimate of Operation and Maintenance Costs, Transmission Costs and Debt Service Costs, and the Participant's share of each, for the following Contract Year. The Participant shall, to the extent and in the manner deemed appropriate by the Participant, incorporate the estimates shown on the Annual Budget in its annual budgetary process for the Participant's Enterprise Fund.

(a) At the end of each quarter during each Contract Year and at such other times as it shall deem desirable, UAMPS shall review the Annual Budget of Operation and Maintenance Costs, Transmission Costs and Debt Service Costs for the Contract Year. In the event such review indicates that the Annual Budget does not or will not substantially correspond with actual receipts or expenditures, or if at any time during such Contract Year there are or are expected to be extraordinary receipts, credits or expenditures of costs substantially affecting Operation and Maintenance Costs, Transmission Costs and Debt Service Costs, UAMPS shall prepare and provide to the Participant's Representative a revised Annual Budget, recommended by the Project Management Committee and approved by the Board, incorporating adjustments to reflect such receipts, credits or expenditures which shall thereupon supersede the previous Annual Budget. The revised Annual Budget and any written materials that accompany it shall specifically identify the changes from the Annual Budget that was previously in effect.

(b) UAMPS agrees that it will, from and after the date of the acquisition by UAMPS of the Project, keep accurate records and accounts relating to the Project, the Cost of Acquisition and Construction, Reference Project Costs, Operation and Maintenance Costs, Transmission Costs and Debt Service Costs in accordance with the Financing Documents and which are generally consistent with the Uniform System of Accounts, separate and distinct from its other records and accounts; *provided* that UAMPS may establish revenue and operation and maintenance funds that account for more than one project of UAMPS so long as UAMPS shall maintain books and records

adequate to show the amounts in each of such funds allocable to each such Project. Said accounts shall be audited annually by a firm of certified public accountants, experienced in public finance and electric utility accounting and of national reputation, to be employed by UAMPS. A copy of each annual audit, including all written comments and recommendations of such accountants, approved by the Members shall be furnished by UAMPS to the Participant not later than 180 days after the end of each Contract Year.

Section 25. Billing Periods. (a) The initial Billing Period to be used for the preparation, calculation and billing of the amounts payable by the Participant hereunder shall be a Month. In order to promote the efficient and economic administration of the Project, UAMPS may, at any time after the end of the initial Contract Year and from time to time thereafter, adopt another standard period of time as the Billing Period hereunder. In addition to the foregoing, UAMPS may, upon the approval of the Project Management Committee, from time to time revise the billing and payment procedures provided for in this Section to promote the efficient and economic administration of the Project or to conform such billing procedures to those utilized in connection with other projects of UAMPS.

(b) Any change in the Billing Period shall be made in the Annual Budget provided for in Section 24 and shall not be effective for at least 30 days after the mailing of notice of such change in the Billing Period or in the billing and payment procedures to the Participant. At the time of the mailing of such Annual Budget, UAMPS shall send to the Participant a revised form of the billing procedures set forth in Section 26(b), which shall reflect any changes in the dates of billing and payment and the method thereof that are necessary or desirable to make this Section correspond to the new Billing Period, such changes to become effective on the date the new Billing Period takes effect. In no event shall any such change in the Billing Period or in the billing and payment procedures increase the amounts payable by the Participant pursuant to this Section in respect of Operation and Maintenance Costs, Transmission Costs and Debt Service Costs.

Section 26. Billings. (a) The Participant acknowledges and agrees that it is necessary for UAMPS to recover all of the costs and expenses associated with the Project through billings to and payments by the Participants under the Power Sales Contracts. UAMPS will exercise Commercially Reasonable Efforts to finance all Development Costs during the Development Period. In the event that Development Costs are not refinanced by the issuance of long-term Bonds, the Participant shall pay its Development Cost Share of the amount necessary to repay the financed Development Costs. UAMPS will exercise Commercially Reasonable Efforts to finance all Construction Costs, net of any Capital Contributions, with the proceeds of Bonds issued at the beginning of the Construction Period. The Participant's share of Operation and Maintenance Costs and Debt Service Costs will equal its Entitlement Share (expressed as a percentage of all Entitlement Shares), subject to the adjustments provided for in the Power Sales Contracts.

(b) For so long as the Billing Period is a Month, on or before the 25th day after the end of each Billing Period beginning with the first Billing Period in the first Contract Year, UAMPS shall render to the Participant a billing statement showing the amount payable by the Participant for such Billing Period in respect of: (i) Development Costs, (ii) Operation and Maintenance Costs; (iii) Transmission Costs; (iv) Debt Service Costs; and (v) any other amounts, adjustments or reconciliations payable by or credited to the Participant pursuant to this Contract or the Financing

Documents and not otherwise shown. The Participant shall pay the total of such amounts at the time specified in Section 27, as the same may be revised from time to time. The billing statement for each Billing Period shall be based, to the fullest extent practicable, upon the actual operation of the Project during such Billing Period. To the extent that any billing statement rendered by UAMPS shall have included any estimated amounts in respect of the Participant's share of Operation and Maintenance Costs, Debt Service Costs or the Transmission Costs or other costs allocable to the Participant, such estimated amounts shall be reconciled at least once during each Contract Year with the actual operation and scheduling of the Project and the Participant shall receive a bill or credit, as applicable, to reflect such reconciliations pursuant to clause (v) of this paragraph.

(c) Debt Service Costs, including any adjustments thereto, shall be determined by UAMPS in accordance with the Financing Documents. Operation and Maintenance Costs, including any adjustments thereto, shall be determined by UAMPS in accordance with the applicable provisions of the Power Sales Contracts and the Project Agreements. UAMPS and the Participant acknowledge and agree that certain categories of costs may be financed as a Cost of Acquisition and Construction (and paid by the Participant as Debt Service Costs or through Capital Contributions) or paid by the Participant as Operation and Maintenance Costs, as determined by the Project Management Committee, but without duplication of any item of cost. Transmission Costs, including any adjustments thereto, shall be determined by UAMPS in accordance with the applicable provisions of this Contract and the Transmission Agreements. The Participant shall pay all such amounts pursuant to Section 27.

(d) In the event that the failure of a Participant to make its payments in accordance with its Power Sales Contract shall have resulted in the application of amounts in any reserve or working capital funds for the Project, any amounts thereafter paid to UAMPS, including delayed-payment and interest charges, by such defaulting Participant in respect of past due payments (i) shall be used to replenish such fund or (ii) to the extent that the other Participants shall have made up the deficiency created by such application or paid additional amounts into any such funds, shall be credited, pro rata, on the billing statements of such other Participants in the next Billing Period or Billing Periods as shall be appropriate.

Section 27. Participant's Payment Obligations. (a) Payments required to be paid by the Participant to UAMPS shall be due and payable to UAMPS at its principal office or by wire transfer to such account as UAMPS shall designate in writing to the Participant, on the 10th day of the Month following the Month in which the billing statement was rendered or at such other time as may be established by UAMPS pursuant to Section 25.

(b) If payment in full is not made by the Participant on or before the close of business on the due date, UAMPS shall impose a delayed payment charge on the unpaid amount due for each day overdue at a rate equal to the lesser of one percent per month, compounded monthly, or the maximum rate lawfully payable by the Participant; provided, however, that UAMPS, acting upon the direction of the Project Management Committee, may elect to waive such delayed payment charge (or portion thereof) but only to the extent that any such waiver will not adversely affect the ability of UAMPS to meet its payment obligations under the Project Agreements or the Financing

Documents or materially increase the amounts payable by the other Participants. If said due date is not a business day, payment shall be made on the next following business day.

(c) The obligation of the Participant to make the payments for Development Costs, Operation and Maintenance Costs, Transmission Costs, Debt Service Costs and other amounts payable by the Participant pursuant to Section 26 is a several obligation and not a joint obligation with those of any other Participant. Prior to the Commercial Operation Date, the obligation of the Participant to make such payments shall constitute a cost of the development of a new power supply resource. From and after the Commercial Operation Date, the obligation of the Participant to make such payments shall constitute a cost of purchased electric power and electric energy. In all cases, the obligation of the Participant to make the payments required by Section 26 shall be payable as an operating expense and solely from the revenues and other legally available funds of its Electric System. In no event shall the Participant be obligated or required to levy or collect ad valorem property taxes or assessments to meet its payment obligations under this Contract. Such payments shall be made whether or not the Project or any portion thereof is acquired, completed, operable, operating, suspended or terminated, and notwithstanding the damage or destruction of the Project, the suspension, interruption, interference, reduction or curtailment of the Project Output, termination of any of the Project Agreements, loss or interruption of transmission from the Point of Delivery or termination of any Transmission Agreement, for any reason whatsoever, in whole or in part. The obligations of the Participant to make such payments shall not be subject to any reduction, whether by offset, counterclaim, or otherwise, and shall not be conditioned upon the performance by UAMPS under this or any other agreement or instrument.

(d) The payment obligations of the Participant under this Contract are special obligations payable solely from the revenues and other available income of its Electric System and do not, and shall not be deemed to, constitute an indebtedness or liability of the Participant under any constitutional, statutory or other legal limitation or requirement.

Section 28. Disputed Billings. In the event of any dispute as to any portion of the billing statement for such Billing Period, the Participant shall nevertheless pay the full amount of the disputed charges when due and shall give written notice of the dispute to UAMPS not later than the 60th day after such billing statement was submitted. Such notice shall identify the disputed billing statement, state the amount in dispute and set forth a full statement of the grounds for such dispute. No adjustment shall be considered or made for disputed charges unless such notice is given by the Participant. UAMPS shall give consideration to, and shall consult with the Project Management Committee with respect to, such dispute and shall advise the Participant with regard to its position relative thereto within thirty (30) days following receipt of such written notice. Upon final determination (whether by agreement or determination by the Project Management Committee) of the correct amount, any difference between such correct amount and such full amount shall be accounted for in the billing statement next submitted to the Participant after such determination. For the avoidance of doubt, any overpayment or underpayment determined pursuant to Section 26(b) shall not be considered to be a disputed payment that is subject to this Section.

Section 29. Audit Rights. (a) At its cost, the Participant may, upon the giving of not less than 15 days' prior written notice to UAMPS, but not more often than once during any two-year

period, inspect and audit the books and records of UAMPS relating to the Project for the purpose of verifying the amounts payable by the Participant under this Contract within the three-year period preceding the commencement of the audit. UAMPS agrees to make available to the Participant, to the extent Commercially Reasonable, all relevant records and all requested information relating to the subject matter of any such audit, subject in all cases to any confidentiality restrictions applicable to third-party information or contracts; provided that UAMPS shall make Commercially Reasonable Efforts to obtain a waiver of such restrictions for purposes of the audit and the Participant shall execute such non-disclosure agreements as may be reasonably requested by UAMPS. Any audit shall be conducted during normal business hours, and the Participant will use Commercially Reasonable Efforts to complete any audit within one month, subject to the availability of relevant records and information and the absence of material accounting irregularities.

(b) If any audit discloses that an overpayment or underpayment has been made during the three-year period described above, the amount of the overpayment or underpayment will be promptly paid by the appropriate party, together with interest calculated at an annual rate equal to the Secured Overnight Funding Rate (SOFR) reported on the website of the Federal Reserve Bank of New York, or reported by any successor to the Federal Reserve Bank of New York as administrator of SOFR, plus 100 basis points, compounded daily and on the basis of a 360-day year, from the date or dates of any such overpayment or underpayment through and including the date of the payment correcting the overpayment or underpayment. Any payment made by UAMPS pursuant to this Section shall constitute an item of Operation and Maintenance Costs.

Section 30. Representations and Warranties. (a) The Participant represents and warrants to UAMPS as follows:

(i) the Participant is a political subdivision, duly created and validly existing under the laws of the State of Utah, and has all corporate power and authority necessary to enter into and perform its obligations under this Contract;

(ii) this Contract has been duly authorized, executed and delivered by the Participant and constitutes its legal, valid and binding obligation enforceable in accordance with its terms;

(iii) the execution, delivery and performance by the Participant of this Contract does not and will not (A) conflict with any constitutional, statutory or regulatory provision, judgment, decree or order applicable to the Participant and (B) constitute a breach of or a default under any bond ordinance, resolution or indenture or any contract or agreement to which the Participant is a party or to which any of the property, assets or revenues of its Electric System is subject;

(iv) all Required Approvals have been obtained;

(v) to the Participant's knowledge, there is no pending or threatened action or proceeding affecting the Participant which purports to affect the authorization, legality,

validity or enforceability of this Contract, the Joint Action Agreement or the Pooling Agreement; and

(vi) prior to and in connection with its approval and execution of this Contract, the Participant conducted its own review of the descriptions, information and studies regarding the Project, the Project Agreement and this Contract provided by UAMPS and made an independent determination to enter into this Contract.

(b) UAMPS represents and warrants to the Participant as follows:

(i) UAMPS is a political subdivision of the State of Utah and an energy services interlocal entity, duly created and validly existing under the Act and the Joint Action Agreement;

(ii) UAMPS has all corporate power and authority necessary to enter into and perform its obligations under this Contract;

(iii) This Contract has been duly approved by the Project Management Committee and the Board and has been duly authorized, executed and delivered by UAMPS and constitutes its legal, valid and binding obligation enforceable in accordance with its terms;

(iv) the execution, delivery and performance by UAMPS of this Contract does not and will not (A) conflict with any constitutional, statutory or regulatory provision, judgment, decree or order applicable to UAMPS and (B) constitute a breach of or a default under any bond ordinance, resolution or indenture or any contract or agreement to which UAMPS is a party or to which any of its property, assets or revenues is subject;

(v) to UAMPS' knowledge, there is no pending or threatened action or proceeding affecting UAMPS which purports to affect the authorization, legality, validity or enforceability of this Contract, the Joint Action Agreement or the Pooling Agreement; and

(vi) the descriptions, information and studies regarding the Project, the Project Agreements and this Contract provided to the Participant by UAMPS have been prepared in good faith based upon the facts and information known to UAMPS at the time, and UAMPS has no reason to believe that such descriptions, information and studies taken as a whole are incorrect or misleading in any material respect.

Section 31. Information to Be Made Available. (a) From and after the effective date of the Power Sales Contracts and subject to their availability under the applicable provisions of the Project Agreements, UAMPS shall make available for examination by the Participant:

(1) all books of accounts, records, documentation and contracts in the possession of UAMPS relating to the operation of the Project;

(2) copies of all agreements and data in the possession of UAMPS relating to the financing of the Project;

(3) copies of all operating and financial records and reports relating to the Project in the possession of UAMPS;

(4) copies of policies of insurance carried pursuant to Section 14; and

(5) such other information and documents with respect to the Project as the Participant may reasonably request from time to time.

(b) UAMPS may from time to time provide information to the Participant or the Participant's Representative that it designates as "non-public," "commercially sensitive," "confidential" or with similar words indicating that public disclosure of such information should not be made and can be expected to cause harm to UAMPS and the Participants. The Participant and the Participant's Representative agree to (i) classify any information as "non-public," "protected" or with such similar words as may be used under all public records laws that may apply to the Participant, (ii) notify UAMPS of any request or demand for disclosure of such information and (iii) cooperate with UAMPS in contesting any such disclosure request or demand.

(c) The Participant acknowledges that the ability of UAMPS to sell the Bonds depends upon, among other things, the credit standing of the Participants and their Electric Systems and that it will be necessary for UAMPS to provide certain information with respect to the Participants and their Electric Systems in connection with the sale of the Bonds (whether or not the Participant is making a Capital Contribution). Consequently, the Participant covenants to and agrees with UAMPS that the Participant will, upon request, provide to UAMPS all information with respect to the Participant and its Electric System, including financial and operating information and all contracts, documents, reports, bond resolutions and indentures, as may be requested by UAMPS or its counsel in connection with the financing of the Project and the issuance of the Bonds.

(d) The Participant covenants to and agrees with UAMPS that the Participant will furnish to UAMPS (1) not later than 180 days after the end of each fiscal year of the Participant, (A) a copy of the most recent annual financial statements of the Participant and its Enterprise Fund, audited by an independent certified public accountant or firm of such accountants, together with copies of all management letters and written recommendations and comments submitted by the accountants making such audit, and (B) the information and documents described in EXHIBIT II attached hereto, and (2) such other information and documents as UAMPS may reasonably request from time to time.

(e) The Participant may notify UAMPS if non-public information is contained in the materials provided under EXHIBIT II. UAMPS agrees to (i) classify any such non-public information as "protected records" within the meaning of, and to the extent permitted under, the Utah Government Records Access and Management Act, (ii) agrees to cooperate with the Participant to appropriately classify any such non-public information under such other public records laws that apply to the Participant and (iii) notify the Participant of any demand for

disclosure of such information and will cooperate with the Participant in contesting any such disclosure demand.

(f) Concurrently with its execution and delivery of this Contract, the Participant shall deliver to UAMPS (i) a certificate, together with attached exhibits, in substantially the form attached hereto as EXHIBIT III and (ii) an opinion of counsel in substantially the form attached hereto as EXHIBIT V. In connection with each issuance of Bonds by UAMPS and at such other times as UAMPS may reasonably request, the Participant shall deliver to UAMPS (iii) a bring-down certificate in substantially the form attached hereto as EXHIBIT IV, and (iv) a bring-down opinion of counsel in substantially the form attached hereto as EXHIBIT VI.

Section 32. Covenants and Agreements of the Participant. The Participant covenants to and agrees with UAMPS as follows:

(a) *Maintenance of Rates.* The Participant shall establish, maintain, revise, charge and collect rates for electric service rendered by it to its customers so that such rates shall provide revenues which, together with other funds reasonably estimated to be available, will be sufficient to meet the Participant's obligations to UAMPS under this Contract, to pay all other operating expenses of the Participant's Electric System and to provide revenues sufficient to pay all obligations of the Participant payable from, or constituting a charge or lien on, the revenues of its Electric System and, to the extent being paid from the revenues of its Electric System, all other bonds of the Participant now or hereafter outstanding.

(b) *Maintenance of Revenues.* The Participant shall promptly collect all charges due for electric utility services supplied by it as the same become due. The Participant shall at all times maintain and shall exercise Commercially Reasonable Efforts to enforce its rights against any person, customer or other entity that does not pay such charges when due.

(c) *Sale or Assignment of Electric System or Power Sales Contract.* During the term of this Contract, the Participant shall not sell, lease or otherwise dispose of all or substantially all of its Electric System, except upon compliance with the following provisions respecting the transfer or assignment of its Entitlement Share.

The Participant shall not assign, sell or transfer all or any part of its Entitlement Share or any or all of its interests under this Contract, except upon one hundred twenty (120) days' prior written notice to UAMPS and compliance with the provisions set forth below. Within thirty (30) days after receipt of such notice from the Participant (and if such notice indicates that the Participant proposes to assign its Entitlement Share), UAMPS shall notify all of the other Participants of the proposed assignment or transfer by the Participant of all or part of its Entitlement Share. Each of the other Participants shall have the option of acquiring all or any portion of the Entitlement Share that is proposed to be assigned or transferred and shall notify UAMPS of its exercise of such option within forty-five days of its receipt of the notice from UAMPS referred to in the preceding sentence. In the event that two or more of the other Participants shall exercise their options with respect to the Entitlement Share that is proposed to be assigned or transferred in amounts which exceed the total Entitlement Share proposed to be assigned, UAMPS shall, to the extent necessary, make a pro rata allocation of the such Entitlement

Share among the Participants which have exercised their options, based upon the existing Entitlement Shares of the requesting Participants. In the event that less than all of such Entitlement Share shall be acquired by other Participants, UAMPS shall notify the other Members of UAMPS of the proposed assignment of an Entitlement Share and shall provide such Members with an opportunity to acquire the remaining portion of the Participant's Entitlement Share.

In the event that less than all of the Entitlement Share proposed to be transferred or assigned is to be acquired by other Participants or other Members of UAMPS, the Participant may proceed to transfer or assign its Entitlement Share and its rights under this Contract upon satisfaction of the following conditions: (A) at the sole option of UAMPS either (i) the purchaser or assignee shall assume all obligations of the Participant under this Contract in such a manner as shall assure UAMPS to its sole satisfaction that the Participant's Entitlement Share to be purchased hereunder and the amounts to be paid therefor will not be reduced, and if and to the extent deemed necessary by UAMPS in its sole discretion to reflect such assignment and assumption, UAMPS and such purchaser or assignee shall enter into an agreement supplemental to this Contract to clarify the terms upon which the Participant's Entitlement Share is to be sold hereunder by UAMPS to such purchaser or assignee; or (ii) such purchaser or assignee shall enter into a new contract with UAMPS for the purchase of the Participant's Entitlement Share at a price and on terms which UAMPS in its sole discretion determines not to be less beneficial to it and the other Participants than this Contract; (B) the senior debt, if any, of such purchaser or assignee, if such purchaser or assignee is not a Participant shall be rated by at least "Baa2" or "BBB", as applicable, by at least one Rating Agency; (C) the Project Management Committee shall by resolution determine that such sale, lease or other disposition will not adversely affect UAMPS, the other Participants or the security for the payment of Bonds; and (D) UAMPS shall have received an opinion of Bond Counsel to the effect that such sale, assignment or disposition will not by itself adversely affect the Tax Status of Bonds theretofore issued or thereafter issuable. UAMPS shall make the determinations required by this subparagraph (3) within one hundred twenty (120) days of receipt by UAMPS of the notice referred to in the first sentence of this subparagraph and shall provide a written copy of such determinations to the Participant.

In the event any sale, lease or other disposition is permitted pursuant to this subparagraph (3), UAMPS may require as additional security to assure the flow of revenues under this Contract, and the transferring and assigning Participant shall provide or cause to be provided either a prepayment or a security deposit for amounts due under this Contract in such amounts as shall be determined by the Project Management Committee.

Upon the completion of any such sale, lease or other disposition, UAMPS shall prepare and send to each of the Participants a revised SCHEDULE I, setting forth the Entitlement Shares, Capital Contribution Percentages, Debt Service Percentages and Debt Service Shares of the Participants, as revised to reflect such sale, lease or other disposition.

(d) *Good Utility Practice.* The Participant shall, in accordance with Good Utility Practice, (i) at all times operate its Electric System and the business thereof in an efficient manner, (ii) maintain its Electric System in good repair, working order and condition, (iii) from time to time make all necessary and proper repairs, renewals, replacements, additions, betterments and improvements with respect to the Electric System, so that at all times the business thereof shall be

properly conducted, and (iv) duly perform its obligations under all power supply and transmission service agreements to which it is a party.

(e) *Operating Expenses.* UAMPS and the Participant intend that the payments to be made by the Participant to UAMPS pursuant to this Contract will be payable (i) if and to the extent that any payments are required to be made prior to the Commercial Operation Date, from the revenues and income derived from the operation of the Participant's Electric System as a cost of the development of a new long-term power supply resource, (ii) from and after the Commercial Operation Date as a cost of purchased electric power and energy, and (iii) in each case as an operating expense of the Participant's Electric System and a first charge, together with all other operating expenses, on the revenues derived from the operation of the Participant's Electric System; *provided that* if any amount payable by the Participant under this Contract is prohibited from being paid as an operating expense of the Participant's Electric System under applicable law or a binding contractual obligation, such amount shall be payable from the available revenues and income of the Participant's Electric System. The Participant covenants to and agrees with UAMPS that it will, unless otherwise required by applicable law or under a binding contractual obligation, include the annual payments required to be made by it under this Contract as a cost of purchased electric power and energy as an operating expense in the annual operating budget of its Electric System and in any resolution, ordinance or indenture providing for future borrowings for the Participant's Electric System.

(f) *Tax Status.*

(i) The Participant agrees that it will apply all of the Electric Energy acquired under this Contract to a Qualified Use and that it will not take or omit to take any action (whether with respect to the Electric Energy acquired under this Contract or otherwise) which could, either alone or in conjunction with any other similar actions by the Participant or other Participants, adversely affect the Tax Status of any Bonds issued or issuable by UAMPS. Upon any breach of the foregoing covenants, the Participant shall take and pay the costs of all remedial actions as may be directed by UAMPS in order to maintain the Tax Status of the Bonds.

(ii) The Participant represents and warrants that, as of the Effective Date, it has no contracts (and has no current expectation of entering into any contracts) other than Permitted Output Contracts to provide electric service to any purchaser. At least thirty days prior to entering into any such contract, the Participant shall notify UAMPS of its intent to enter into such contract and provide copies of such contract to UAMPS. Within thirty days after receipt of such notice, UAMPS shall advise the Participant as to whether, in the opinion of Bond Counsel, such contract would result in a violation of the covenant in clause (i) above. The cost of such opinion and other reports necessary in connection therewith shall be borne by the Participant.

(iii) The Participant agrees to provide such information as UAMPS may request and to comply with such additional instructions as may be provided by UAMPS in order to confirm and maintain the Qualified Use of the Electric Energy sold under this Contract.

Section 33. Default by Participant. Each of the following shall constitute a “default” by the Participant under this Power Sales Contract:

(a) failure of the Participant to make to UAMPS any of the payments for which provision is made in this Power Sales Contract within five business days after the due date of any such payment; or

(b) failure by the Participant to observe any of the covenants, agreements or obligations on its part contained herein and failure to remedy the same for a period of sixty days after written notice thereof, specifying such failure and requiring the same to be remedied, shall have been given by or on behalf of UAMPS; or

(c) bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, including without limitation proceedings under Title 11, Chapter 9, United States Code or other proceedings for relief under any federal or state bankruptcy law or similar law for the relief of debtors, are instituted by or against the Participant and, if instituted against the Participant, said proceedings are consented to or are not dismissed within thirty days after such institution.

Section 34. Continuing Obligation of Participant; Right of UAMPS to Discontinue Service. (a) In the event of any default referred to in Section 33, the Participant shall not be relieved of its liability for payment of any amounts in default or its failure to observe its covenants, agreements and obligations hereunder and UAMPS shall have the right to recover from the Participant any amount in default. In enforcement of any such right of recovery, UAMPS may bring any suit, action, or proceeding in law or in equity, including mandamus and action for specific performance, as may be necessary or appropriate to enforce any covenant, agreement or obligation of the Participant hereunder or the obligation of the Participant to make any payment for which provision is made in this Contract.

(b) In addition to proceeding with its rights against a defaulting Participant pursuant to paragraph (a) above, UAMPS may, upon not less than thirty days’ written notice from UAMPS to the Participant, cease and discontinue providing all or any portion of the Participant’s Entitlement Share and may terminate the Participant’s right to receive the Electric Energy allocable to its Entitlement Share under this Power Sales Contract. In connection with its determination to discontinue providing all or any portion of a defaulting Participant’s Entitlement Share, UAMPS shall take into account, among such other matters as UAMPS in its sole discretion shall deem relevant, the amounts and due dates of its payment obligations under the Project Agreements and the Financing Documents and the funds and revenues available to UAMPS to enable it to meet its obligations thereunder. Any such termination of the Participant’s Entitlement Share under this Power Sales Contract shall not, however, terminate, reduce or modify the Participant’s outstanding obligations and liabilities hereunder.

(c) The suspension or termination of a defaulting Participant’s right to receive its Entitlement Share and any actions taken by UAMPS pursuant to Section 35 shall not terminate, reduce or modify the defaulting Participant’s obligations and liabilities under its Power Sales Contract. The defaulting Participant shall remain liable under all billing statements rendered by

UAMPS, whether prior or subsequent to the default, and UAMPS for itself and on behalf of the nondefaulting Participants shall be entitled to recover from the defaulting Participant all damages, legal fees, costs and expenses incurred by UAMPS and the nondefaulting Participants as a result of such default. UAMPS shall exercise Commercially Reasonable Efforts to mitigate the damages resulting from the Participant's default.

Section 35. Transfer of Entitlement Share Following Default; Other Actions by UAMPS.

(a) UAMPS and the Participant acknowledge that a default by any of the Participants under its Power Sales Contract could reduce the revenues available to UAMPS which are necessary in order for UAMPS to meet its obligations under the Project Agreements and the Financing Documents on a timely basis. In the event of an insufficiency of revenues and an inability on the part of UAMPS to meet its obligations under the Project Agreements and the Financing Documents on a timely basis, the ability of UAMPS to deliver Electric Energy from the Project and the interests of all of the Participants will be materially and adversely affected. The provisions of this Section are intended to assure the sufficiency of revenues to UAMPS following a default by a Participant under its Power Sales Contract by the reallocation of the defaulting Participant's Entitlement Share. As set forth below, UAMPS agrees to take certain actions to mitigate the impact of any such reallocation on the nondefaulting Participants. The Participants agree that the provisions of this Section are reasonable and necessary in order for them to achieve the benefits of their joint and cooperative undertaking with respect to the Project.

(b) In the event of a default by any Participant and discontinuance of service pursuant to Section 35 of such Participant's Power Sales Contract, but only if the Project has not been terminated, UAMPS and the nondefaulting Participants shall take the following actions in the order set forth below:

(1) UAMPS shall immediately make a mandatory allocation of the defaulting Participant's Entitlement Share among all of the nondefaulting Participants, pro rata on the basis of their original Entitlement Shares. UAMPS shall provide written notice to the nondefaulting Participants of the mandatory allocation of the defaulting Participant's Entitlement Share which notice shall (a) set forth the date of the mandatory allocation, (b) include a revised Schedule I showing the increased Entitlement Shares and (to the extent applicable) the revised Capital Contribution Percentages, Debt Service Percentages and Debt Service Shares of the nondefaulting Participants as a result of such allocation, (c) direct each of the nondefaulting Participants to make an election pursuant to subparagraph (2) below, and (d) set forth the date by which each of the nondefaulting Participants must notify UAMPS of its election pursuant to subparagraph (2) below. Such mandatory allocation of the defaulting Participant's Entitlement Share and the increased Entitlement Shares and the revised Capital Contribution Percentages, Debt Service Percentages and Debt Service Shares of the nondefaulting Participants as a result of such allocation (as shown on the revised Schedule I prepared by UAMPS) shall remain in effect until the completion of the procedures provided for in this paragraph (a). During such period, each of the nondefaulting Participants shall have all of the rights, benefits, obligations and responsibilities associated with its increased Entitlement Share and its revised Capital Contribution Percentage, Debt Service Percentage and Debt Service Share as a result of such allocation.

(2) Within sixty days after the allocation of the defaulting Participant's Entitlement Share provided for in subparagraph (1) above, each of the nondefaulting Participants shall notify UAMPS in writing of its election of one of the following options: (A) to retain that portion of the defaulting Participant's Entitlement Share allocated to such nondefaulting Participant pursuant to subparagraph (1) above and the additional amount, if any, of the defaulting Participant's Entitlement Share that such nondefaulting Participant elects to acquire from any other nondefaulting Participant that may elect to retain less than all of the defaulting Participant's Entitlement Share allocated to it pursuant to subparagraph (1) above; or (B) to retain none or less than all of the defaulting Participant's Entitlement Share allocated to the Participant pursuant to subparagraph (1) above. Any Participant that shall have elected to retain all of that portion of the defaulting Participant's Entitlement Share allocated to it pursuant to subparagraph (1) above shall be deemed to have fully satisfied its obligations to UAMPS under this Section and shall not thereafter be required to accept any additional allocation of the defaulting Participant's Entitlement Share.

(3) Within thirty days after its receipt of the elections of all nondefaulting Participants pursuant to subparagraph (2), UAMPS shall determine whether the nondefaulting Participants have elected to retain all of the Entitlement Share of the defaulting Participants pursuant to subparagraph (2). In the event that any of the Participants shall have elected to retain less than all of its allocation of the defaulting Participant's Entitlement Share, UAMPS shall proportionally reallocate the remaining amount of the defaulting Participant's Entitlement Share among those nondefaulting Participants that have requested additional amounts of the defaulting Participant's Entitlement Share. To the extent necessary to provide for a complete reallocation of the defaulting Participant's Entitlement Share, UAMPS shall next reallocate any remaining portion of the defaulting Participant's Entitlement Share among those Participants that did not elect to retain all of their initial allocations of such Entitlement Share. Proportional reallocations shall be based upon the Entitlement Shares of the nondefaulting Participants in effect immediately prior to the defaulting Participant's default.

(4) In no event shall any reallocation of a defaulting Participant's Entitlement Share, or the total of all mandatory reallocations of Entitlement Shares in the event of two or more Participant defaults under the Power Sales Contracts, cause any nondefaulting Participant's Entitlement Share to increase by more than [__]%* over its original Entitlement Share set forth on Schedule I.

(5) Each allocation or reallocation of a defaulting Participant's Entitlement Share shall also allocate or reallocate the defaulting Participant's Capital Contribution Percentage and Debt Service Percentage to the nondefaulting Participants receiving such allocation or reallocation. The Capital Contribution Percentage and the Debt Service Percentage of the defaulting Participant shall be allocated to each of such nondefaulting

* This amount will not exceed 25% and will be determined by the Project Management Committee upon the Effective Date of the Power Sales Contracts.

Participants proportionally based upon the respective amounts of the defaulting Participant's Entitlement Share that are allocated or reallocated to them.

(6) UAMPS shall deliver, promptly after making the determinations and reallocations required by this paragraph (b), a notice to the nondefaulting Participants which notice shall (A) set forth the reallocation of the defaulting Participant's Entitlement Share made by UAMPS pursuant to subparagraph (3) above, and the effective date of such reallocation, (B) set forth the amount, if any, of the Entitlement Share of the defaulting Participant that has been mandatorily reallocated to nondefaulting Participants that did not elect to retain or acquire the same, and (C) include a revised SCHEDULE I showing the revised Entitlement Shares, Capital Contribution Percentages, Debt Service Percentages and Debt Service Shares, respectively, of the nondefaulting Participants as a result of the reallocation provided for under subparagraph (3). The Entitlement Shares, Capital Contribution Percentages, Debt Service Percentages and Debt Service Shares shown on such revised SCHEDULE I shall thereafter be the Entitlement Shares, Capital Contribution Percentages, Debt Service Percentages and Debt Service Shares of the nondefaulting Participants.

(7) Any portion of the Entitlement Share of a defaulting Participant transferred pursuant to this paragraph (b) to a nondefaulting Participant shall become a part of and shall be added to the Entitlement Share of each transferee Participant, and from and after the date of such transfer the transferee Participant shall be obligated to pay for its increased Entitlement Share pursuant to the terms and provisions of this Power Sales Contract. The defaulting Participant shall remain liable to UAMPS and the other Participants for costs incurred and damages suffered by them in connection with the actions taken with respect to the defaulting Participant's Entitlement Share provided for in this Section.

(c) In the event that any portion of a defaulting Participant's Entitlement Share shall have been mandatorily reallocated to nondefaulting Participants pursuant to paragraph (b)(3) above or in the event that the procedures set forth in paragraph result in the reallocation of less than all of a defaulting Participant's Entitlement Share, UAMPS shall use Commercially Reasonable Efforts to sell or dispose of all or any part of the defaulting Participant's Entitlement Share as follows and in the following order:

(1) UAMPS shall first seek to sell all or any part of the defaulting Participant's Entitlement Share on terms and conditions comparable to those contained in the Power Sales Contracts; and

(2) UAMPS shall then seek to sell all or any part of such portion of the defaulting Participant's Entitlement Share or the Electric Energy associated therewith on the best obtainable terms and conditions.

Subject to the provisions of the Financing Documents, no sale, transfer or other disposition of all or a part of an Entitlement Share shall be made pursuant to this paragraph (c) if such sale, transfer or disposition will adversely affect the exclusion from gross income for federal income tax purposes of the interest on any of the Bonds issued as tax exempt obligations.

(d) In the event that UAMPS is unable to sell or dispose of any portion of the defaulting Participant's Entitlement Share pursuant to paragraph (c) above within 180 days of commencing Commercially Reasonable Efforts so to do and UAMPS, based upon determinations by the Project Management Committee and the Board, determines that the inability to sell or dispose of the defaulting Participant's Entitlement Share will materially and adversely affect the ability of the nondefaulting Participants to meet their obligations under the Power Sales Contract or the ability of UAMPS to meet its obligations under the Project Agreements and the Financing Documents, then UAMPS shall take such actions as UAMPS in its sole discretion shall deem necessary to ensure the availability of sufficient funds and revenues to enable UAMPS to meet its obligations under the Project Agreements and the Financing Documents. Such actions may include, without limitation, any of the following measures (or any combination thereof):

(1) UAMPS may sell all or any portion of the Project that is allocable to the defaulting Participant's Entitlement Share on such terms and conditions as UAMPS deems to be in the best interest of UAMPS and the nondefaulting Participants and shall apply the proceeds of such sale to the purchase, redemption or defeasance of the Bonds or to other purposes related to the Project; or

(2) UAMPS may enter into contractual arrangements for the sale of all or any portion of the defaulting Participant's Entitlement Share or the Electric Energy associated therewith on such terms and conditions as will maximize the revenues available to UAMPS without regard to any adverse effect that such sale may have on the exclusion of interest on the Bonds from gross income for federal income tax purposes.

In the event that UAMPS makes any sale pursuant to clause (2) above, UAMPS will obtain an opinion of Bond Counsel addressing the tax status of interest on the Bonds issued as tax exempt obligations. UAMPS will take such remedial actions as are available to it to preserve the tax exempt status of interest on such Bonds. In the event that such opinion indicates that interest on the Bonds is or will become includible in gross income for federal income tax purposes, the Participant acknowledges that it may be necessary for UAMPS to pay additional amounts as interest or penalties on the Bonds and that the Debt Service Costs payable by the Participant pursuant to Section 26 will increase correspondingly. The Participant agrees to pay its Debt Service Share of such increased Debt Service Costs pursuant to the provisions of this Power Sales Contract.

(e) Upon any sale or disposition of all or any portion of a defaulting Participant's Entitlement Share or the Electric Energy associated therewith or any sale of the Project pursuant to paragraphs (c) and (d) above, UAMPS shall take into account the proceeds realized or the revenues to be received from such sale or disposition and shall, to the extent necessary, make adjustments to the Entitlement Share, Capital Contribution Percentage, Debt Service Percentage and Debt Service Share of each of the nondefaulting Participants to reflect such sale or disposition and to ensure the receipt of revenues sufficient to enable UAMPS to meet its obligations under the Project Agreements and the Financing Documents. The Participant acknowledges that such adjustments may, under certain circumstances, result in a change in the Participant's share of Operation and Maintenance Costs, Transmission Costs and Debt Service Costs without a corresponding change in the Participant's Entitlement Share. Upon the completion of the

procedures provided for in this Section, UAMPS shall prepare and send to each of the Participants a final revised SCHEDULE I, setting forth the Entitlement Shares, the Capital Contribution Percentages, Debt Service Percentages and Debt Service Shares, respectively, of the nondefaulting Participants after the procedures and actions provided for in this Section.

Section 36. Other Default by Participant. In the event of a failure of the Participant to observe, keep and perform any of the covenants, agreements or obligations on its part contained in this Power Sales Contract, UAMPS may, in addition to its other rights hereunder, bring any suit, action, or proceeding in law or in equity, including mandamus, injunction and action for specific performance, as may be necessary or appropriate to enforce any covenant, agreement or obligation of this Power Sales Contract against the Participant.

Section 37. Default by UAMPS; Dispute Resolution. (a) In the event of any default by UAMPS under any covenant, agreement or obligation of this Power Sales Contract, the Participant's sole remedy for such default shall be limited to mandamus, injunction, action for specific performance or any other available equitable remedy as may be necessary or appropriate and in no event shall the Participant withhold or offset any payment owed to UAMPS hereunder.

(b) Prior to and as a condition to the filing of any action with respect to this Contract under paragraph (a) above, the Participant shall first submit the dispute or matter in question to the Project Management Committee for mediation by giving notice in writing to UAMPS and the Chair of the Project Management Committee describing the dispute or matter and the issue or issues to be resolved. The Participant agrees to participate fully and in good faith in all mediation proceedings of the Project Management Committee. In the event that the Project Management Committee is unable to resolve or mediate such dispute or matter within 120 days after UAMPS has received written notice of the dispute, the Participant shall have the right to initiate such proceedings as it may deem necessary pursuant to paragraph (a).

Section 38. Abandonment of Remedy. In case any proceeding taken on account of any default shall have been discontinued or abandoned for any reason, the parties to such proceedings shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of UAMPS and the Participant shall continue as though no such proceedings had been taken.

Section 39. Waiver of Default. Any waiver at any time by either UAMPS or the Participant of its rights with respect to any default of the other party hereto, or with respect to any other matter arising in connection with this Power Sales Contract, shall not be a waiver with respect to any subsequent default, right or matter.

Section 40. Relationship to and Compliance with Other Instruments. (a) It is recognized by the parties hereto that UAMPS, in undertaking, or causing to be undertaken, the planning, financing, construction, acquisition, operation and maintenance of the Project, must comply with the requirements of the Financing Documents, the Project Agreements and all Permits and Approvals necessary therefor, and it is therefore agreed that this Power Sales Contract is made subject to the terms and provisions of the Financing Documents, the Project Agreements and all such Permits and Approvals.

(b) UAMPS covenants and agrees that it will use Commercially Reasonable Efforts for the benefit of the Participant to comply in all material respects with all terms, conditions and covenants applicable to it contained in the Financing Documents, the Project Agreements and all Permits and Approvals relating thereto and that it will not, without the consent of the Participant, enter into any amendment or modification of the Financing Documents or the Project Agreements which will change the Participant's Entitlement Share or which will materially and adversely affect the rights and obligations of the Participant hereunder.

Section 41. Liability of Parties. UAMPS and the Participant shall assume full responsibility and liability for the maintenance and operation of their respective properties and each shall, to the extent permitted by law, indemnify and save harmless the other from all liability and expense on account of any and all damages, claims, or actions, including injury to or death of persons arising from any act or accident in connection with the installation, presence, maintenance and operation of the property and equipment of the indemnifying party and not caused in whole or in part by the negligence of the other party; *provided* that any liability which is incurred by UAMPS through the operation and maintenance of the Project or pursuant to the Project Agreements and not covered, or not covered sufficiently, by insurance shall be paid solely from the revenues of UAMPS hereunder, and any payments made by UAMPS to satisfy such liability shall, except to the extent paid from proceeds of Bonds or Capital Contributions, become part of Operation and Maintenance Costs.

Section 42. Assignment of Power Sales Contract. (a) This Power Sales Contract shall inure to the benefit of and shall be binding upon the respective successors and assigns of the parties to this Power Sales Contract; *provided, however*, that neither this Power Sales Contract nor any interest herein shall be transferred or assigned by either party hereto except as follows:

(1) UAMPS may assign its interests under this Power Sales Contract or all or any portion of the amounts payable by the Participant hereunder pursuant to the Financing Documents as described in paragraph (b) below;

(2) UAMPS may sell, transfer or reallocate all or any portion of the Participant's Entitlement Share following a default by the Participant and a discontinuance of service as provided in Section 35;

(3) After such point in time as all Bonds issued under the Financing Documents have been paid or deemed to have been paid as provided in the Financing Documents, UAMPS may assign this Power Sales Contract and pledge the amounts payable by the Participant hereunder without limitation;

(4) the Participant shall assign the Electric Energy allocable to the Participant's Entitlement Share to the UAMPS Pool as provided in Section 10; and

(5) subject to the provisions of Section 32, the Participant may assign or transfer all or any portion of its Entitlement Share or its interests under this Power Sales Contract.

(b) The Participant acknowledges and agrees that UAMPS may assign and pledge to the Trustee designated in the Financing Documents all or any portion of its right, title, and interest in and to the payments to be made to UAMPS under the provisions of this Power Sales Contract, as security for the payment of the principal (including sinking fund installments) of, premium, if any, and interest on Bonds and, upon such assignment and pledge, UAMPS may grant to the Trustee any rights and remedies herein provided to UAMPS, and thereupon any reference herein to UAMPS shall be deemed, with the necessary changes in detail, to include the Trustee which on behalf of and together with the owners from time to time of the Bonds shall be third party beneficiaries of the covenants and agreements of the Participant herein contained.

Section 43. Termination or Amendment of Power Sales Contract. (a) This Power Sales Contract shall not be terminated by either party under any circumstances, whether based upon the default of the other party under this Power Sales Contract or any other instrument or otherwise except as specifically provided in this Power Sales Contract.

(b) This Power Sales Contract shall not be amended, modified, or otherwise altered in any manner that will adversely affect the security for the Bonds afforded by the provisions of this Power Sales Contract. So long as any of the Bonds are outstanding or until adequate provisions for the payment thereof have been made in accordance with the provisions of the Financing Documents, this Power Sales Contract shall not be amended, modified, or otherwise altered in any manner which will reduce the payments pledged as security for the Bonds or extend the time of such payments provided herein or which will in any manner impair or adversely affect the rights of the owners from time to time of the Bonds.

(c) Subject to Section 6, no Power Sales Contract entered into between UAMPS and another Participant may be amended so as to provide terms and conditions that are substantially and materially different from those herein contained except upon written notice to and written consent or waiver by each of the other Participants, and upon similar amendment being made to the Power Sales Contract of any other Participants requesting such amendment after receipt by such Participant of notice of such amendment.

(d) In connection with any revision or amendment of the billing procedures provided for in Section 25 or of any of the Exhibits, UAMPS shall promptly provide a copy of the revision or amendment to the Participant.

Section 44. Notices and Computation of Time. All notices, demands or other communications made pursuant to this Contract (each, a “Notice”) may be sent by facsimile, electronic mail, other mutually acceptable electronic means, a nationally recognized overnight courier service, first class mail or hand delivery. Notice shall be deemed given when received by the addressee, unless received on a day that is not a business day or received after 5:00 p.m. (receiving party’s local time) on a business day, in which case Notice shall be deemed to have been received on the next following business day. In the absence of proof of the actual receipt date, the following presumptions will apply: (i) Notice sent by facsimile or electronic mail shall be deemed to have been received upon the sending party’s receipt of electronic confirmation of successful transmission; (ii) Notice sent by overnight mail or courier shall be deemed to have been received on the next business day after it was sent or such earlier time as is confirmed by the receiving

party; and (iii) Notice sent by first class mail shall be deemed to have been received five business days after mailing.

(b) All Notices shall be sent by UAMPS to the business address, facsimile address or e-mail address of the Participant's Representative. All Notices shall be sent by the Participant to the business address, facsimile address or designated e-mail address of UAMPS. Either party may change its Notice address(es) by Notice to the other party.

Section 45. Relationship of UAMPS and the Participant; Relationship among Participants. (a) This Power Sales Contract is not intended to create, nor shall it be deemed to create, any relationship between UAMPS and the Participant other than that of independent parties contracting with one another for the purpose of effectuating the provisions of this Power Sales Contract.

(b) The covenants, obligations, liabilities, rights and benefits of the Participant under this Power Sales Contract are individual and not joint and several, or collective, with those of any other Participant. Other than giving effect to the joint and cooperative action of UAMPS on behalf of the Participants, the Power Sales Contracts shall not be construed to create an association, joint venture, trust or partnership, or to impose a trust or partnership covenant, obligation or liability on, between or among the Participant and any one or more of the Participants. No Participant shall be or be deemed to be under the control of, nor shall any Participant control or be deemed to control, any or all of the other Participants or the Participants as a group. No Participant shall be bound by the actions of any other Participant, nor shall any Participant be deemed to be the agent of any other Participant or have the right to bind any other Participant.

Section 46. No Recourse Against Officers, Etc. of UAMPS or Participant. No member of the governing body, nor any officer or employee of UAMPS or the Participant shall be individually or personally liable for any payment under this Power Sales Contract or be subject to any personal liability or accountability by reason of the execution of this Power Sales Contract; *provided, however*, that this Section shall not relieve any officer or employee of UAMPS or the Participant from the performance of any official duty imposed by law or this Power Sales Contract.

Section 47. Governing Law; Jurisdiction and Venue. (a). This Power Sales Contract is made under and shall be governed by the law of the State of Utah; *provided, however*, that if the Participant is organized or created pursuant to the laws of another state, then the authority of the Participant to execute and perform its obligations under this Power Sales Contract shall be determined under the laws of such state. Headings herein are for convenience only and shall not influence the construction hereof.

(b) All judicial proceedings brought against either party arising out of or relating hereto shall be brought exclusively in the courts of the State of Utah or of the United States of America for the District of Utah. By executing and delivering this Contract, each party, for itself and in connection with its properties, irrevocably accepts generally and unconditionally the nonexclusive jurisdiction and venue of such courts; waives any defense of *forum non conveniens*; agrees that service of all process in any such proceeding in any such court may be made by registered or certified mail, return receipt requested, to the party at its address provided in accordance with

Section 44; and agrees that service as provided above is sufficient to confer personal jurisdiction over the party in any such proceeding in any such court, and otherwise constitutes effective and binding service in every respect.

Section 48. Severability; No Merger. (a) If any section, paragraph, clause or provision of this Power Sales Contract shall be finally adjudicated by a court of competent jurisdiction to be invalid, the remainder of this Power Sales Contract shall remain in full force and effect as though such section, paragraph, clause or provision or any part thereof so adjudicated to be invalid had not been included herein.

(b) This Power Sales Contract constitutes the entire and complete agreement of UAMPS and the Participant in respect of the Project and shall not be nor shall it be deemed to be modified, amended or superseded by any other agreement or contract between UAMPS and the Participant in respect of any other project or subject.

Section 49. Contract Beneficiaries. This Contract is entered for the benefit of and as the binding agreement of UAMPS and the Participant. The Trustee and the owners of the Bonds are the only third-party beneficiaries of this Contract, as and to the extent provided in the Financing Documents.

IN WITNESS WHEREOF, the parties hereto have caused this Power Sales Contract to be executed by their proper officers respectively, being thereunto duly authorized, and their respective corporate seals to be hereto affixed, as of the day, month and year first above written.

HEBER LIGHT & POWER COMPANY, UTAH

By: _____
Its Chairman

[SEAL]

ATTEST AND COUNTERSIGN

By: _____
Title: Secretary

UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS

By: _____
Chairman

[SEAL]

ATTEST AND COUNTERSIGN

By: _____
Assistant Secretary

PRELIMINARY

SCHEDULE D

SCHEDULE OF PARTICIPANTS, DEVELOPMENT SHARES AND DEVELOPMENT COST SHARES

PARTICIPANT	DEVELOPMENT SHARE (KW)	DEVELOPMENT COST SHARE (%)*
-------------	---------------------------	--------------------------------

TOTAL

100.0000%

* Column may not total due to rounding.

SCHEDULE I

SCHEDULE OF PARTICIPANTS, ENTITLEMENT SHARES

SCHEDULE OF PARTICIPANTS, ENTITLEMENT SHARES, CAPITAL CONTRIBUTION PERCENTAGES, DEBT SERVICE PERCENTAGES AND DEBT SERVICE SHARES*

PARTICIPANT	ENTITLEMENT SHARE	
	kW	% **

TOTAL		%
-------	--	---

* Capital Contribution Percentages, Debt Service Percentages and Debt Service Shares to be added if Capital Contributions are made.

** Column may not total due to rounding.

EXHIBIT I

DESCRIPTION OF THE INITIAL FACILITIES

The following is a preliminary and summary description of the Initial Facilities. This description is subject to change based upon selection of the Contractor, the negotiation of the final terms of the Construction Contracts and the construction of the Initial Facilities. The final description of the Initial Facilities will be approved by the Project Management Committee after the Project achieves commercial operation.

PARTICIPANT _____
FISCAL YEAR _____

EXHIBIT II

FORM OF PARTICIPANT'S ANNUAL INFORMATION REPORT*

SYSTEM DESCRIPTION

Incorporated area of municipality _____ square miles.

Service area of utility _____ square miles.

Transmission and distribution lines _____ miles.

Number of employees in electrical department _____. (Include sum of shared employees' time in other city offices to determine equivalent full-time employees.)

Number of customers served outside the city limits _____.

Service area outside of the city limits _____ square miles.

NUMBER OF ELECTRICAL CUSTOMERS AND TYPE OF LOAD SERVED

CUSTOMER CLASS	NUMBER OF CUSTOMERS
Residential	
Commercial	
Industrial	
Agricultural and Pumping	
Military and Other	
TOTAL	

Annual audit will be sent to UAMPS as soon as completed after the fiscal year.

Electric Rate Schedules for the above classes of service are attached hereto.

*

Under Section 31(d) of the Power Sales Contract, UAMPS has agreed to classify certain of the information provided by the Participant on this Exhibit II as a "protected record," pursuant to the Participant's request. The Participant must also take any actions necessary on its part to appropriately classify and protect such information provided in this Exhibit.

Customer Sales by Class

Total sales to your customers _____ kWh.

Revenues from energy sales to your customers in \$_____.

CUSTOMER CLASS	KWH SALES	REVENUES (\$)
Residential		
Commercial		
Industrial		
Agricultural		
Other		
TOTAL		

**GENERATION
PRODUCED FOR SYSTEM LOAD**

	GENERATING UNIT PRODUCTION							
	#1		#2		#3		#4	
	kW	kWh	kW	kWh	kW	kWh	kW	kWh
July								
August								
September								
October								
November								
December								
January								
February								
March								
April								
May								
June								
TOTAL								

**SYSTEM PEAK INCLUDING LOAD
COVERED BY OWN GENERATION**

	kW		kW
July		January	
August		February	
September		March	
October		April	
November		May	
December		June	

FIVE LARGEST LOADS

	TYPE OF BUSINESS	KWH SOLD	ANNUAL ELECTRICAL BILLINGS
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____

ACHIEVEMENTS

Provide below the achievements of your utility for the year.

EXHIBIT III

FORM OF CERTIFICATE OF PARTICIPANT

STATE OF _____)
)
COUNTY OF _____)

The undersigned hereby certify that they are the [Executive Officer] and [Clerk/Recorder/Secretary] of _____ (the "*Participant*"), a member of Utah Associated Municipal Power Systems ("*UAMPS*"), and that as such they are authorized to execute this Certificate on behalf of the Participant and hereby certify as follows:

1. This Certificate has been executed pursuant to Section 31(f) of the Millard County Power Project Power Sales Contract, dated as of December 1, 2024 (the "*Power Sales Contract*"), between the Participant and UAMPS, in connection with the execution and delivery of the Power Sales Contract. Capitalized terms used and not otherwise defined herein have the meanings assigned to them in the Power Sales Contract.

2. The Participant is a _____, duly created and validly existing under the laws of the State of _____ (the "*State*"), and is governed by a _____ (the "*Governing Body*").

3. Attached hereto as *Exhibit A* is a true, complete and correct copy of a resolution authorizing the execution and delivery of the Power Sales Contract and related matters (the "*Contract Resolution*"). The Contract Resolution was duly adopted by a majority of the Governing Body present and voting at a public meeting of the Governing Body held on _____, at which a quorum was present and acted throughout.

4. The meeting of the Governing Body at which the Contract Resolution was adopted was duly called, noticed and held in conformity with applicable laws of the State and procedural rules of the Governing Body. The Contract Resolution is in full force and effect and has not been amended, modified, repealed or supplemented.

5. The names of the [Executive Officer] and the [Clerk/Recorder/Secretary] authorized to execute and deliver the Power Sales Contract on behalf of the Participant are as follows:

NAME

OFFICE

«officer»

«office»

«officer»

«office»

6. (a) No petition was filed with the Participant or any of its officers seeking to refer the Contract Resolution to the electors of the Participant in accordance with the provisions of state law; and (b) no litigation has been instituted, is pending or has been threatened to require a referendum election on the Contract Resolution.

7. The Participant owns and operates an electric utility system (the “*System*”) that distributes and furnishes electric energy to consumers located within the established service area of the System. The Participant will use all of the electric energy from its Entitlement Share in a Qualified Use.

8. The Participant has previously executed the Utah Associated Municipal Power Systems Amended and Restated Agreement for Joint and Cooperative Action dated as of March 20, 2009, and all amendments thereof and supplements thereto (the “*Joint Action Agreement*”) and that certain Power Pooling Agreement (the “*Pooling Agreement*”) between the Participant and UAMPS relating to the power pool administered by UAMPS. The Joint Action Agreement and the Pooling Agreement are each in full force and effect and constitute the legal, valid and binding agreements of the Participant.

9. «Rep» has been duly appointed by the Governing Body as the Participant’s representative to UAMPS.

10. The representations and warranties of the Participant in Section 30 of the Power Sales Contract are true and correct on and as of the date of this certificate.

11. The Participant acknowledges that the information it provides under Section 31(c) and (d) of the Power Sales Contract may be used by UAMPS in connection with the issuance of Bonds to finance the Development Costs and the Cost of Acquisition and Construction of the Project and to provide necessary information to lenders and other interested parties.

Dated: _____.

[PARTICIPANT]

By _____
[Executive Officer]

By _____
[Clerk/Recorder/Secretary]

[Seal]

EXHIBIT A

[Form of Contract Resolution]

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AND APPROVING THE MILLARD COUNTY POWER PROJECT POWER SALES CONTRACT WITH UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS; AND RELATED MATTERS.

***** ***** *****

WHEREAS, _____ (the "*Participant*") is a member of Utah Associated Municipal Power Systems ("*UAMPS*") pursuant to the provisions of the Utah Associated Municipal Power Systems Amended and Restated Agreement for Joint and Cooperative Action, as amended (the "*Joint Action Agreement*");

WHEREAS, one of the purposes of UAMPS under the Joint Action Agreement is the acquisition and construction of electric generating, transmission and related facilities in order to secure reliable, economic sources of electric power and energy for its members;

WHEREAS, UAMPS proposes to acquire and construct a natural gas-fired electric generating facility consisting of multiple reciprocating internal combustion engines to be known as the "Millard County Power Project" (the "*Project*") to be located at a site in Millard County, Utah, and to sell the capacity and output of the Project pursuant to the Millard County Power Project Power Sales Contracts (the "*Power Sales Contracts*") between UAMPS and the Participants (capitalized terms used and not defined herein have the meanings assigned to them in the Power Sales Contracts);

WHEREAS, the Governing Body has reviewed (or caused to be reviewed on its behalf) certain descriptions and summaries of the Project and the Power Sales Contracts, and representatives of the Participant have participated in discussions and conferences with UAMPS and others regarding the Project and have received from UAMPS all requested information and materials necessary for the decision of the Governing Body to authorize and approve the Power Sales Contract;

WHEREAS, the Participant acknowledges that the obligation of the Participant to make the payments provided for in the Power Sales Contract will be a special obligation of the Participant and an operating expense of the Participant's electric system, payable from the revenues and other available funds of the electric system, and that the Participant shall be unconditionally obligated to make the payments required under the Power Sales Contract whether or not the Project or any portion thereof is acquired, constructed, completed, operable or operating and notwithstanding the suspension, interruption, interference, reduction or curtailment of the output thereof for any reason whatsoever; and

WHEREAS, the Governing Body has reviewed (or caused to be reviewed on its behalf) its current and projected needs for electric power and energy and information with respect to the Project prepared by UAMPS setting forth, among other things, preliminary estimates of the Development Costs, the Cost of Acquisition and Construction, the estimated timeline for the development and construction of the Project and related matters, and now desires to authorize and approve the Power Sales Contract;

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of _____, as follows:

Section 1. Approval of Power Sales Contract; Development Share. (a) The Power Sales Contract, in substantially the form attached hereto as *Annex A*, is hereby authorized and approved, and the [Executive Officer] is hereby authorized, empowered and directed to execute and deliver the Power Sales Contract on behalf of the Participant, and the [Clerk/Recorder/Secretary] is hereby authorized, empowered and directed to attest and countersign such execution and to affix the corporate seal of the Participant to the Power Sales Contract, with such changes to the Power Sales Contract from the form attached hereto as *Annex A* as shall be necessary to conform to the Participant's legal status, to complete the form of the Power Sales Contract or to correct any minor irregularities or ambiguities therein and as are approved by the [Executive Officer], his execution thereof to constitute conclusive evidence of such approval.

(b) A Development Share representing _____ kW of capacity in the Project is hereby authorized and approved. The Participant acknowledges that (i) its Development Share may be increased to provide for a full allocation of the Project Output and (ii) by virtue of its Development Share, the Participant will have an Entitlement Share with the same amount of Electric Power as its Development Share from and after the Completion of Development through the remaining term of the Power Sales Contract, all as provided in the Power Sales Contract.

Section 2. Participant's Representative. (a) The appointment of _____ as the Participant's Representative to UAMPS and of _____ and _____ as alternate Representatives is hereby confirmed.

(b) Such Representative (or, in his or her absence, such alternate(s)) is hereby delegated full authority to (i) approve any appendix to the Pooling Agreement between UAMPS and the Participant that may be necessary or desirable in connection with the utilization of the Participant's Entitlement Share, and (ii) act on all matters that may come before the Project Management Committee established by the Power Sales Contract, and shall be responsible for reporting regularly to the Governing Body regarding the activities of the Project Management Committee.

Section 3. Compliance with Tax Covenants. The Participant agrees in the Power Sales Contract that it will apply all of the electric power and energy acquired under the Power Sales Contract to a Qualified Use and that it will not take or omit to take any action which could adversely affect the Tax Status of any Bond or Bonds theretofore issued or thereafter issuable by UAMPS. In furtherance of that agreement, the Governing Body of the Participant hereby agrees that it will observe and comply with such instructions as may be provided from time to time by UAMPS with respect to the Qualified Use of the electric power and energy acquired under the Power Sales Contract.

Section 4. Further Authority. (a) The [Executive Officer] and the [Clerk/Recorder/Secretary] are hereby authorized, empowered and directed to (i) execute the Certificate of the Participant in substantially the form attached as EXHIBIT III to the Power Sales Contract and to deliver the same to UAMPS, and (ii) from time thereafter and upon the request of UAMPS, execute the Bring-Down Certificate of the Participant in substantially the form attached as *Exhibit IV* to the Power Sales Contract and to deliver the same to UAMPS.

(b) The Participant's legal counsel is hereby authorized, empowered and directed to (i) execute the Opinion of Counsel to the Participant in substantially the form attached as EXHIBIT V to the Power Sales Contract and to deliver the same to UAMPS, and (ii) from time thereafter and upon the request of UAMPS, execute the Bring-Down Opinion of Counsel to the Participant in substantially the form attached as EXHIBIT VI to the Power Sales Contract and to deliver the same to UAMPS.

Section 5. Miscellaneous; Effective Date. (a) This resolution shall be and remain irrevocable until the expiration or termination of the Power Sales Contract in accordance with its terms.

(b) All previous acts and resolutions in conflict with this resolution or any part hereof are hereby repealed to the extent of such conflict.

(c) In case any provision in this resolution shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(d) This resolution shall take effect immediately upon its adoption and approval.

ADOPTED AND APPROVED on _____, ____.

[PARTICIPANT]

By _____

ATTEST:

[Clerk/Recorder/Secretary]

[SEAL]

ANNEX A

[Attach Power Sales Contract]

EXHIBIT IV

FORM OF BRING DOWN CERTIFICATE OF THE PARTICIPANT

STATE OF _____)
)
COUNTY OF «COUNTY»)

The undersigned hereby certify that they are the [Executive Officer] and [Clerk/Recorder/Secretary] of _____ (the “Participant”), a member of Utah Associated Municipal Power Systems (“UAMPS”), and that as such they are authorized to execute this Certificate on behalf of the Participant and hereby certify as follows:

1. This certificate has been executed in connection with the issuance by UAMPS of its Millard County Power Project Revenue Bonds, _____ Series _____ (the “Bonds”), as more fully described in the Official Statement of UAMPS dated _____ (the “Official Statement”) prepared in connection with the offering and sale of the Bonds.

2. Pursuant to Section 31(f) of the Millard County Power Project Power Sales Contract, dated as of December 1, 2024, between the Participant and UAMPS, in connection with the execution and delivery of the Millard County Power Project, the undersigned executed and delivered a certificate dated _____ (the “Original Certificate”). The undersigned hereby reaffirm the statements made in the Original Certificate on and as of the date hereof. Capitalized terms used and not otherwise defined herein have the meanings assigned to them in the Original Certificate.

[3. The undersigned have reviewed the statements and information relating to the Participant and its electric system contained in APPENDIX __ to the Preliminary Official Statement and the Official Statement under the caption, “THE PARTICIPANTS”, and such statements and information, as of the respective dates of the Preliminary Official Statement and the Official Statement and as of the date hereof, (a) were and are true and correct in all material respects and fairly and accurately present the financial and operating position of the System for the periods and as of the dates presented and (b) did not and do not omit to state a material fact necessary in order to make such statements not misleading. Since the dates of the Preliminary Official Statement and the Official Statement, there has been no change in the business, financial position, results of operations or condition of the Participant or the System that would (x) materially affect the accuracy and completeness of such statements and information or (y) materially and adversely affect the ability of the Participant to meet its obligations under the Power Sales Contract.]

Dated this _____ day of _____.

[PARTICIPANT]

By _____
Its _____

[SEAL]

EXHIBIT V

FORM OF OPINION OF COUNSEL TO THE PARTICIPANT

Utah Associated Municipal Power Systems
155 North 400 West, Suite 480
Salt Lake City, UT 84103

Ladies and Gentlemen:

I have acted as counsel to _____ (the “*Participant*”) in connection with the Millard County Power Project Power Sales Contract, dated as of December 1, 2024 (the “*Power Sales Contract*”), between the Participant and Utah Associated Municipal Power Systems (“*UAMPS*”). I have been advised that, pursuant to the Power Sales Contract, UAMPS has undertaken the Project and has sold all of the Electric Energy from the Project to the Participant and others that have executed Power Sales Contracts with UAMPS.

This opinion is being delivered to you pursuant to Section 31(f) of the Power Sales Contract in connection with the execution and delivery of the Power Sales Contract. Capitalized terms used and not defined herein have the meanings assigned to such terms in the Power Sales Contract.

As counsel to the Participant, I have examined (i) those documents relating to the existence, organization and operation of the Participant and its electric utility system (the “*System*”), (ii) all resolutions and proceedings of the Participant relating to the due authorization, execution and delivery by the Participant of the Power Sales Contract, (iii) an executed counterpart of the Power Sales Contract, and (iv) such other documents, information, facts and matters of law as are necessary for me to render the opinions contained herein.

Based upon the foregoing, I am of the opinion that:

1. The Participant is a _____ duly organized and validly existing under the laws State of _____ (the “*State*”) and is qualified to own, operate and furnish electric service through the System.

2. The Participant has full legal right, power and authority to enter into the Power Sales Contract and to carry out and consummate all of the transactions contemplated thereby, and the Participant has complied with the provisions of applicable law which would be a condition precedent to entering into the Power Sales Contract or carrying out and consummating such transactions.

3. Each of the Power Sales Contract, the Joint Action Agreement and the Pooling Agreement has been duly authorized, executed and delivered by the Participant and constitutes the legal, valid and binding obligation of the Participant and is enforceable under the present law of the State in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization or other laws affecting creditors' rights generally or usual equity principles in the event equitable remedies should be sought.

4. Pursuant to the Power Sales Contract, the Participant's obligation to make payments to UAMPS under the Power Sales Contract is a special obligation payable solely from the revenues and other available income of the System initially as a cost of the development of a new power supply resource and from and after the commercial operation of the Project as a cost of purchased electric energy, in each case as an operating expense of the System. The application of the revenues and other available funds of the System to make such payments is not subject to any prior lien, encumbrance or restriction.

5. The Participant has obtained all Required Approvals.

6. There is no pending or, to my knowledge, threatened, action or proceeding affecting the Participant (nor to my knowledge is there any basis therefor), which (a) purports to affect the authorization, legality, validity or enforceability of the Power Sales Contract, the Joint Action Agreement or the Pooling Agreement or (b) involves the possibility of any judgment or liability, not fully covered by insurance, which may result in any material adverse change in the business, affairs, properties or assets, or in the condition, financial or otherwise, of the System.

7. The execution, delivery and performance by the Participant of the Power Sales Contract will not conflict with or constitute a breach of or default under any agreement, indenture, bond, note, resolution or other instrument to which the Participant is a party or by which it or the properties of the System is bound or affected, or any applicable law, ruling, regulation, ordinance, judgment, order or decree to which the Participant (or any of its officers in their respective capacities as such) or its properties is subject.

8. No event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a material default or event of default under any agreement, indenture, bond, note, resolution or other instrument to which the Participant is a party or by which it or the properties of the System is bound or affected, which breach or default would have a material adverse impact on UAMPS' ownership or operation of the Project or the ability of the Participant to fully perform its obligations under the Power Sales Contract.

9. The Participant has lawful authority to fix and collect rates, fees and charges for the services provided by the System. Such rates, fees and charges for utility services provided to customers located within the corporate boundaries of the Participant are not subject to regulation by any authority of the State or the United States and have been duly and validly adopted by the Participant and are in full force and effect.

10. The Participant has lawful authority to own the System and, to my knowledge, the Participant (a) has good and merchantable title to the properties comprising the System and (b) holds all permits, licenses and approvals necessary for the operation of the System.

I hereby authorize Chapman and Cutler LLP, as bond counsel, to rely on this opinion as though addressed to it.

Respectfully submitted,

EXHIBIT VI

FORM OF BRING-DOWN OPINION OF COUNSEL TO THE PARTICIPANT

Utah Associated Municipal Power Systems
155 North 400 West, Suite 480
Salt Lake City, UT 84103

Ladies and Gentlemen:

I have acted as counsel to _____ (the "*Participant*") in connection with the Millard County Power Project Power Sales Contract dated as of December 1, 2024 (the "*Power Sales Contract*") between the Participant and Utah Associated Municipal Power Systems ("*UAMPS*"). I have been advised that UAMPS has made arrangements for the issuance and sale on the date hereof of its Millard County Power Project Revenue Bonds, _____ Series _____ (the "*Bonds*").

Pursuant to Section 31(f) of the Power Sales Contract in connection with the execution and delivery of the Millard County Power Project, I rendered to UAMPS an approving legal opinion, dated _____ (the "*Prior Opinion*"), with respect to the Participant. In connection with the issuance and sale by UAMPS of the Bonds, I hereby reaffirm the Prior Opinion, as though it was dated the date hereof, in the form it was so rendered on _____.

[In addition to the foregoing, I have examined (i) the material describing the Participant and its electric system contained in APPENDIX A to each of the Preliminary Official Statement (together with any supplements or amendments thereto as of the date hereof, the "*Preliminary Official Statement*") and the Official Statement (together with any supplements or amendments thereto as of the date hereof, the "*Official Statement*") of UAMPS relating to the Bonds and (ii) such other documents, information, facts and matters of law as are necessary for me to render the following opinion. Based upon the foregoing, I am of the opinion that the statements and information with respect to the Participant and its electric system contained in APPENDIX A to the Preliminary Official Statement and the Official Statement were true and correct in all material respects as of the respective dates of the Preliminary Official Statement and the Official Statement and are true and correct in all material respects as of the date hereof, and no facts have come to my attention which would lead me to believe that such statements and information contained or contain any untrue statement of a material fact or omitted to state or omit to state any material fact necessary in order to make such statements, in the light of the circumstances under which they were made, not misleading; *provided, however*, that I express no view with respect to the tabular, financial and statistical information included therein.]

I hereby authorize the reference to this opinion and to the Prior Opinion set forth under the caption, "APPROVAL OF LEGAL PROCEEDINGS," in the Official Statement. I hereby further authorize [Bond Counsel] and [other reliance parties] to rely on the Prior Opinion and on this opinion in each case as though addressed to them.

Respectfully submitted,

STATE OF UTAH)
)
COUNTY OF WASATCH)

of state law; and (b) no litigation has been instituted, is pending or has been threatened to require a referendum election on the Contract Resolution.

7. The Participant owns and operates an electric utility system (the “*System*”) that distributes and furnishes electric energy to consumers located within the established service area of the System. The Participant will use all of the electric energy from its Entitlement Share in a Qualified Use.

8. The Participant has previously executed the Utah Associated Municipal Power Systems Amended and Restated Agreement for Joint and Cooperative Action dated as of March 20, 2009, and all amendments thereof and supplements thereto (the “*Joint Action Agreement*”) and that certain Power Pooling Agreement (the “*Pooling Agreement*”) between the Participant and UAMPS relating to the power pool administered by UAMPS. The Joint Action Agreement and the Pooling Agreement are each in full force and effect and constitute the legal, valid and binding agreements of the Participant.

9. Jason Norlen has been duly appointed by the Governing Body as the Participant’s representative to UAMPS.

10. The representations and warranties of the Participant in Section 30 of the Power Sales Contract are true and correct on and as of the date of this certificate.

11. The Participant acknowledges that the information it provides under Section 31(c) and (d) of the Power Sales Contract may be used by UAMPS in connection with the issuance of Bonds to finance the Development Costs and the Cost of Acquisition and Construction of the Project and to provide necessary information to lenders and other interested parties.

Dated: _____.

HEBER LIGHT & POWER COMPANY, UTAH

By _____
Chairman

By _____
Secretary

[SEAL]

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AND APPROVING THE POWER COUNTY
POWER PROJECT POWER SALES CONTRACT WITH UTAH ASSOCIATED
MUNICIPAL POWER SYSTEMS; AND RELATED MATTERS.

***** ***** *****

WHEREAS, Heber Light & Power Company, Utah (the “*Participant*”) is a member of Utah Associated Municipal Power Systems (“*UAMPS*”) pursuant to the provisions of the Utah Associated Municipal Power Systems Amended and Restated Agreement for Joint and Cooperative Action, as amended (the “*Joint Action Agreement*”);

WHEREAS, one of the purposes of UAMPS under the Joint Action Agreement is the acquisition and construction of electric generating, transmission and related facilities in order to secure reliable, economic sources of electric power and energy for its members;

WHEREAS, UAMPS proposes to acquire and construct a combined cycle natural gas-fired electric generating facility plant known as the “Power County Power Project” (the “*Project*”) to be located at a site in Power County, Idaho, and to sell the capacity and output of the Project pursuant to the Power County Power Project Power Sales Contracts (the “*Power Sales Contracts*”) between UAMPS and the Participants (capitalized terms used and not defined herein have the meanings assigned to them in the Power Sales Contracts);

WHEREAS, the Governing Body has reviewed (or caused to be reviewed on its behalf) certain descriptions and summaries of the Project and the Power Sales Contracts, and representatives of the Participant have participated in discussions and conferences with UAMPS and others regarding the Project and have received from UAMPS all requested information and materials necessary for the decision of the Governing Body to authorize and approve the Power Sales Contract;

WHEREAS, the Participant acknowledges that the obligation of the Participant to make the payments provided for in the Power Sales Contract will be a special obligation of the Participant and an operating expense of the Participant’s electric system, payable from the revenues and other available funds of the electric system, and that the Participant shall be unconditionally obligated to make the payments required under the Power Sales Contract whether or not the Project or any portion thereof is acquired, constructed, completed, operable or operating and notwithstanding the suspension, interruption, interference, reduction or curtailment of the output thereof for any reason whatsoever; and

WHEREAS, the Governing Body has reviewed (or caused to be reviewed on its behalf) its current and projected needs for electric power and energy and information with respect to the Project prepared by UAMPS setting forth, among other things, preliminary estimates of the Development Costs, the Cost of Acquisition and Construction, the estimated timeline for the

development and construction of the Project and related matters, and now desires to authorize and approve the Power Sales Contract;

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of Heber Light & Power Company, Utah, as follows:

Section 1. Approval of Power Sales Contract; Development Share. (a) The Power Sales Contract, in substantially the form attached hereto as *Annex A*, is hereby authorized and approved, and the Chairman is hereby authorized, empowered and directed to execute and deliver the Power Sales Contract on behalf of the Participant, and the Secretary is hereby authorized, empowered and directed to attest and countersign such execution and to affix the corporate seal of the Participant to the Power Sales Contract, with such changes to the Power Sales Contract from the form attached hereto as *Annex A* as shall be necessary to conform to the Participant's legal status, to complete the form of the Power Sales Contract or to correct any minor irregularities or ambiguities therein and as are approved by the Chairman, his execution thereof to constitute conclusive evidence of such approval.

(b) A Development Share representing _____ kW of capacity in the Project is hereby authorized and approved. The Participant acknowledges that (i) its Development Share may be increased to provide for a full allocation of the Project Output and (ii) by virtue of its Development Share, the Participant will have an Entitlement Share with the same amount of Electric Power as its Development Share from and after the Completion of Development through the remaining term of the Power Sales Contract, all as provided in the Power Sales Contract.

Section 2. Participant's Representative. (a) The appointment of Jason Norlen as the Participant's Representative to UAMPS and of Bart Miller and Emily Brandt as alternate Representatives is hereby confirmed.

(b) Such Representative (or, in his or her absence, such alternate(s)) is hereby delegated full authority to (i) approve any appendix to the Pooling Agreement between UAMPS and the Participant that may be necessary or desirable in connection with the utilization of the Participant's Entitlement Share, and (ii) act on all matters that may come before the Project Management Committee established by the Power Sales Contract, and shall be responsible for reporting regularly to the Governing Body regarding the activities of the Project Management Committee.

Section 3. Compliance with Tax Covenants. The Participant agrees in the Power Sales Contract that it will apply all of the electric power and energy acquired under the Power Sales Contract to a Qualified Use and that it will not take or omit to take any action which could adversely affect the Tax Status of any Bond or Bonds theretofore issued or thereafter issuable by UAMPS. In furtherance of that agreement, the Governing Body of the Participant hereby agrees that it will observe and comply with such instructions as may be provided from time to time by UAMPS with respect to the Qualified Use of the electric power and energy acquired under the Power Sales Contract.

Section 4. Further Authority. (a) The Chairman and the Secretary are hereby authorized, empowered and directed to (i) execute the Certificate of the Participant in substantially

the form attached as EXHIBIT III to the Power Sales Contract and to deliver the same to UAMPS, and (ii) from time thereafter and upon the request of UAMPS, execute the Bring-Down Certificate of the Participant in substantially the form attached as *Exhibit IV* to the Power Sales Contract and to deliver the same to UAMPS.

(b) The Participant's legal counsel is hereby authorized, empowered and directed to (i) execute the Opinion of Counsel to the Participant in substantially the form attached as EXHIBIT V to the Power Sales Contract and to deliver the same to UAMPS, and (ii) from time thereafter and upon the request of UAMPS, execute the Bring-Down Opinion of Counsel to the Participant in substantially the form attached as EXHIBIT VI to the Power Sales Contract and to deliver the same to UAMPS.

Section 5. Miscellaneous; Effective Date. (a) This resolution shall be and remain irrevocable until the expiration or termination of the Power Sales Contract in accordance with its terms.

(b) All previous acts and resolutions in conflict with this resolution or any part hereof are hereby repealed to the extent of such conflict.

(c) In case any provision in this resolution shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(d) This resolution shall take effect immediately upon its adoption and approval.

ADOPTED AND APPROVED on _____, 2024.

HEBER LIGHT & POWER COMPANY, UTAH

By _____
Chairman

ATTEST:

Secretary

[SEAL]

EXECUTIVE SUMMARY
UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS
MILLARD COUNTY POWER PROJECT

October 24, 2024

INTRODUCTION AND OVERVIEW

INTRODUCTION

This Executive Summary provides an overview of UAMPS' proposed Millard County Power Project, summarizes the provisions of the Power Sales Contracts and outlines the Project Agreements. The Millard County Power Project is referred to in this Executive Summary as the "*Peaking Project*." The information contained in this Executive Summary has been prepared for the use of prospective Participants in connection with their decision to participate in the Peaking Project by entering into a Power Sales Contract with UAMPS.

This Executive Summary has six parts:

- Part 1: Definitions,
- Part 2: Preliminary Peaking Project description,
- Part 3: Estimated cost of construction; Budget and Plan of Finance,
- Part 4: Interconnection and Transmission,
- Part 5: Summary of the Power Sales Contracts, and
- Part 6: Outlines of the Project Agreements.

The descriptions and summaries contained in this Executive Summary are preliminary, broad and general, and are subject to change as the Project Agreements and the Budget and Plan of Finance for the Peaking Project are developed and finalized under the supervision of the Peaking Project Management Committee. If you have any questions or require any additional information, please contact Jackie Coombs, UAMPS' Managing Director of Corporate and Member Services, at 801-214-6402 or by e-mail to jackie@uamps.com.

PART 1. DEFINITIONS

As used in this Executive Summary:

Contractor: the contractor under the EPC Contract.

EPC Contract: the Engineering, Procurement and Construction Contract to be entered into by UAMPS and the Contractor with respect to the Peaking Project.

Entitlement Share: each Participant's percentage entitlement to the capability of the Peaking Project.

Interconnection Agreement: the agreement providing for the interconnection of the Peaking Project with the transmission facilities of PacifiCorp.

Kern River Pipeline: an interstate natural gas pipeline running from Opal, Wyoming to the San Joaquin Valley near Bakersfield, California, consisting of 1,717 miles of 36- and 42-inch diameter steel pipe. This pipeline will be the source of natural gas for the Peaking Project via an interconnect.

Operating Agreement: the agreement, if any, providing for the operation and maintenance of all or any portion of the Peaking Project.

Participants: the power purchasers under the Power Sales Contracts.

Peaking Project: the Millard County Power Project.

Power Sales Contracts: the Millard County Power Project Power Sales Contracts between UAMPS and the Participants.

Project Agreements: the EPC Contract, major equipment agreements, the Operating Agreement, the Interconnection Agreement and the Transmission Agreement.

Project Management Committee: the committee established under the Power Sales Contracts, consisting of one representative appointed by each of the Participants.

Transmission Agreements: the Amended and Restated Transmission Service and Operating Agreement between UAMPS and PacifiCorp, and each other transmission contract, agreement or tariff entered into by UAMPS or the Participant that is used or necessary for the delivery of power and energy from the Point of Delivery to the Participant's System Point of Receipt, whether by direct transmission, displacement, exchange or otherwise.

Capitalized terms not defined above have the meanings assigned to them in the Power Sales Contracts.

PART 2. THE PEAKING PROJECT

The following is a summary description of the Peaking Project. This description is subject to change as the Peaking Project is developed and based upon the terms of Permits and Approvals, the EPC Contract and the other Project Agreements. The initial description of the Peaking Project will be approved by the Project Management Committee upon the Effective Date of the Power Sales Contracts and the final Peaking Project description will be approved by the Project Management Committee after the Project achieves commercial operation.

PROJECT DESCRIPTION

The Peaking Project consists of the planning, design, construction and installation of a 200,000 kW generation peaking power plant in Millard County, Utah. The principal components of the Peaking Project include:

1. Preliminary planning and design of the facility with a third-party Owner's Engineer, including site studies, long-lead time ordering of equipment and estimation of project costs.
2. Preliminary site work and preparation, including clearing, fencing, grading and concrete foundations work, as well as final site work upon completion of the Peaking Project.
3. A Peaking Generation System consisting of:
 - a. Twelve Reciprocating Internal Combustion Engines (RICE) as the prime movers driving directly-connected electrical generators,
 - b. All ancillary equipment associated with the prime mover equipment: fuel system, lubricant system, coolant systems, exhaust silencers, etc.,
 - c. Air emission control equipment: Selective Catalytic Reduction (SCR) equipment,
 - d. Major electrical systems: switchgear, disconnects and generator step-up transformers,
 - e. All balance-of-plant equipment: fire suppression, crane equipment, etc., and
 - f. RICE Equipment, control and warehouse buildings.
4. Electric interconnection facilities including a substation, a step-up transformer, control, metering and communications equipment, and a new transmission line to the Pavant substation. See "Transmission and Interconnection" below.
5. A natural gas measurement station and small lateral supplied by Kern River Pipeline.

ENGINEERING, CONSTRUCTION AND FINANCING

Pursuant to the EPC Contract, it is expected that the Contractor will provide all design, engineering, procurement, construction services necessary for the acquisition and construction of

the Peaking Project. If necessary, UAMPS will be responsible for the design and construction work on the remaining components of the Peaking Project.

PERMITS AND APPROVALS

Rights-of-Way. All work performed within the project boundaries (generation, transmission and pipeline) will be done on private land and will not require a federal nexus for permitting.

Air Permits. The Peaking Project will require an air quality permit under Title V of the Clean Air Act as administered by the Utah Division of Air Quality. The location of the project is outside of state-defined areas of nonattainment for Ozone and PM2.5 and UAMPS expects that these permits will be obtained in due course and will not impact the construction schedule for the Peaking Project.

Construction and Use Permits. Construction and operation of the Peaking Project will require building and conditional use permits from Millard County, Utah. UAMPS expects to begin the permitting process upon member subscription and approval and as site-specific design details are determined. The permitting process with Millard is expected to take from three to six months and has been incorporated into project timelines.

Additional Permits. In connection with the construction of the project, it is expected that UAMPS will be required to obtain a storm water pollution prevention plan and a storm water discharge permit under the Clean Water Act (Utah Division of Water Quality) and a wastewater discharge permit and a spill prevention containment control plan (Utah Division of Water Quality). Additional road permits may be required by Millard County and Utah Department of Transportation to facilitate the transport of large equipment to construct the project. UAMPS expects that these permits will be obtained in due course and will not impact the construction schedule for the Peaking Project.

PROJECT CONSTRUCTION SCHEDULE

Various factors will affect the proposed construction schedule and completion date of the Peaking Project. The engineering, procurement and construction of the project is currently estimated to require approximately 24 months after the execution of the EPC Contract. Typical contractual arrangements for an EPC Contract requires UAMPS to make an initial payment to the Contractor upon execution of the EPC Contract to initiate equipment ordering and fabrication. Current challenges for obtaining long-lead items require that UAMPS will submit a purchase order deposit for the Generator Step Up Transformer (GSU) once the preliminary engineering is complete. The GSU for the project is the longest lead item in the schedule and may take up to 120+ weeks depending on demand in the market and supply chain constraints. The Project Management Committee will determine when to authorize the execution of the long-lead purchase order and the EPC Contract and execute the initial payment to the Contractor.

An interconnection application for the project has been made to PacifiCorp. However, the current state of electrical transmission service requests within the PacifiCorp system is the most

significant unknown that may impact the project schedule. While study agreements for large generator interconnects and transmission service are expected to be submitted in late 2024 or 2025, contingent facilities that may arise as a result of these studies could require an unpredictable number of years to complete. UAMPS will follow the results of these studies and adjust spending and the project execution schedules to ensure that the project can be utilized at the earliest date that transmission services are available. UAMPS will advise the Project Management Committee to determine the timing for purchasing long lead equipment and executing the EPC contract based on results from the transmission service studies.

PROJECT CONSULTANTS

UAMPS has retained Burns & McDonnell to assist with the preliminary engineering and to conduct a siting study using transmission and natural gas infrastructure to locate the generation facility and highlighted risks for permitting. Following this work, a technology assessment study was conducted to refine the type and manufacturer of equipment that would meet fuel requirements and generation limits. Finally, a Project Sequencing Plan was developed that utilized a Burns & McDonnell project database to determine high-level costs and develop a high-level project schedule using assumed best-case results from transmission studies.

UAMPS will retain an Owner's Engineer to assist in the writing of the Contractor EPC specifications so that various aspects of the project can be competitively bid. This Owner's Engineer will also help with procuring the long-lead equipment and will provide a specification to the Original Equipment Manufacturer (OEM) that will supply the major equipment (RICE engines, generators, cooling fans, etc.) that will entail the bulk of the equipment that needs procurement on the project.

OPERATION OF THE PEAKING PROJECT

UAMPS may perform the general operation and maintenance work on the Peaking Project with its own employees or may contract with a third party for these services. The operations plan for the Peaking Project will be approved by the Project Management Committee.

PART 3. COST OF CONSTRUCTION, PLAN OF FINANCE AND COST OF ENERGY

ESTIMATED COST OF CONSTRUCTION

Based upon its initial review and analysis of the Peaking Project, UAMPS presently estimates that the total cost of construction of the Peaking Project will be approximately \$600 million. The project is projected to be below this amount, but uncertainty in the marketplace (transmission, long-lead procurement and constraints in obtaining contractor resources) have resulted in a conservative approach to estimating project costs to cover currently known contingencies. The following table summarizes the estimated costs of construction of the Peaking Project:

<u>COST CATEGORY</u>	<u>ESTIMATED COST</u>
EPC Contract	\$405,000,000
Substation and interconnection	35,000,000
Engineering, permitting and development	10,000,000
Contingency	25,000,000
Financing Costs (interest during construction, fees, etc.)	75,000,000
Owners Costs (insurance, land acquisition, sales taxes, inspection, etc.)	<u>50,000,000</u>
ESTIMATED COSTS OF CONSTRUCTION	\$600,000,000

BUDGET AND PLAN OF FINANCE

UAMPS is in the process of developing a Budget and Plan of Finance for the Peaking Project. The Budget and Plan of Finance will be approved by the Project Management Committee as provided in the Power Sales Contract. The initial Budget and Plan of Finance will be based on the estimated costs of construction outlined above and will provide for the Development Costs of the Peaking Project to be financed under one or more lines of credit or credit facilities and for the Costs of Acquisition and Construction of the Peaking Project to be financed with the proceeds of Bonds. The intent of the Budget and Plan of Finance is for all Development Costs and the Costs of Acquisition and Construction, including financing and interest charges, to be financed to the Commercial Operation Date of the Peaking Project such that the Participants will not be billed until after they receive energy from the Peaking Project.

If the Peaking Project is terminated by the Project Management Committee at or prior to the end of the Development Period under the Power Sales Contracts, each Participant will be responsible for the repayment of its Development Cost Share of the Development Costs incurred by UAMPS. If Completion of Development of the Peaking Project occurs, each Participant will pay its Entitlement Share of all of the costs of the Peaking Project, including operating expenses, fuel and debt service costs and transmission charges. See the summary of the Power Sales Contracts below for additional information.

PART 4. TRANSMISSION OF PROJECT POWER AND ENERGY

INTERCONNECTION

The Peaking Project will interconnect with PacifiCorp's existing Pavant Substation utilizing a new ~8 mile 345 kV transmission line. UAMPS has submitted an interconnection request for the Peaking Project under PacifiCorp's Open Access Transmission Tariff. An initial scoping study will be performed, and PacifiCorp will prepare a system impact study that will determine the transmission facilities necessary to interconnect the Peaking Project. UAMPS expects that the system impact study will be completed by December of 2025.

The Peaking Project will also interconnect and be supplied by Kern River Gas Transmission Pipeline's (Kern) 24 inch natural gas lateral. UAMPS will sign an Interconnection Agreement and pay for facilities with Kern after project is approved and work can be performed within the required project schedule.

TRANSMISSION

UAMPS has a network transmission agreement with PacifiCorp that will provide network service to Participants connected to the PacifiCorp transmission system in Utah. All Utah Participants are currently points of delivery on the network transmission agreement.

Transmission service charges for the Peaking Project will be determined under the network transmission agreement.

PART 5. THE POWER SALES CONTRACTS

The following provides a summary of the basic terms and provisions of the Power Sales Contracts between UAMPS and its the Participants, but does not describe all of the provisions of the Power Sales Contracts. Participants should refer to the text of the Power Sales Contracts for their complete provisions.

THE PROJECT

A summary description of the Peaking Project and its components will be approved by the Project Management Committee and attached to the Power Sales Contract as EXHIBIT I.

SALE OF OUTPUT

UAMPS will sell the Electric Power and Electric Energy from the Peaking Project to the Participants pursuant to the Power Sales Contracts.

TERM

The Power Sales Contracts will become effective upon the receipt by UAMPS of executed Power Sales Contracts, authorizing resolutions, certificates and legal opinions from Participants that have requested Development Shares (in kW) totaling at least 85% of the expected Project Capability (the “*Minimum Subscription*”).

Each of the Power Sales Contracts will have a term that extends to the later of (a) the final payment of the Bonds and (b) the date the Peaking Project and any Additional Facilities are permanently removed from service and decommissioned.

DEVELOPMENT SHARES AND ENTITLEMENT SHARES

In connection with its decision to enter into the Power Sales Contract, each Participant requests a Development Share (in kW) in the expected Project Capability of the Peaking Project. In the event that the requested Development Shares are greater than the Minimum Subscription but less than the expected Project Capability, UAMPS will seek subscription from additional participants under Power Sales Contracts or joint ownership arrangements. If the Peaking Project is not fully subscribed by the time that Completion of Development occurs, UAMPS will downsize the Project Capability to align it with project subscription.

Each Participant’s Development Share is a contractual right to participate in the development of the Peaking Project and in the decision-making over the development of the Peaking Project through the Participant’s Representative on the Project Management Committee. Each Participant’s Development Cost Share (the ratio of a Participant’s Development Share to the Development Shares of all Participants) is a contractual obligation to pay for a corresponding percentage of all of the costs of the ownership, financing and operation of the Peaking Project.

If the Project Management Committee determines that Completion of Development of the Peaking Project has occurred (*i.e.*, development of the Peaking Project is complete and ready to proceed to construction), each Participant's Development Share will automatically convert to an Entitlement Share with the same amount of kW capacity as its Development Share. The Entitlement Share is a contractual right to receive a specific percentage of the Project capability and a contractual obligation to take or pay for a corresponding percentage of all of the costs of the ownership, financing and operation of the Peaking Project.

FINANCING

UAMPS will use its best efforts to finance the Development Costs and the Costs of Acquisition and Construction of the Peaking Project under lines of credit and the issuance of revenue bonds ("*Bonds*"). The amount of Bonds issued by UAMPS will be reduced by the amount of any Capital Contributions made by Participants. Additional Bonds may be issued as parity or subordinated obligations to pay future costs of the Peaking Project. Refunding Bonds may be issued by UAMPS to reduce debt service costs or to achieve other objectives.

SECURITY FOR BONDS

The Bonds will be secured by a pledge of all of the revenues produced by the operation of the Peaking Project, including the amounts paid under the Power Sales Contracts. The Bonds will be special obligations of UAMPS and will have no claim on any of the revenues or assets of UAMPS from its other projects. The Bonds will not be debts or obligations of the Participants.

CAPITAL CONTRIBUTION OPTION

Prior to UAMPS' issuance of Bonds to finance the Cost of Acquisition and Construction, each Participant has the option (but not an obligation) to make a Capital Contribution to UAMPS. Capital Contributions will be used by UAMPS to pay the Cost of Acquisition and Construction of the Peaking Project, and the amount of Bonds UAMPS issues will be reduced by the amount of Capital Contributions made by the Participants.

UAMPS will provide at least 30 days' written notice to the Participants of their right to elect to make a Capital Contribution and the amount of their Capital Contributions. A Participant's election to make a Capital Contribution must be made by a written resolution adopted by its governing body. Each Participant that has elected to make a Capital Contribution will be required to deposit the payment in a segregated escrow account established under the financing documents for the Bonds.

The Project Management Committee will determine whether to make a capital contribution option available to the Participants in connection with the issuance of Additional Bonds.

PRICE

The Entitlement Share will be sold at cost. Each Participant will pay its proportionate share (the ratio of its Entitlement Share to the sum of all Entitlement Shares) of all of the costs of the Peaking Project, including:

- amounts payable by UAMPS under the Project Agreements;
- other operation and maintenance expenses of the Peaking Project, including fuel costs and working capital charges;
- Debt Service Costs with respect to Bonds issued to finance the costs of the Peaking Project;
- costs of capital improvements, replacements and additions to the Peaking Project, and reserves for such costs, approved by the Project Management Committee; and
- all other costs incurred in connection with the Peaking Project.

Costs will be allocated proportionately to all Entitlement Shares, except that the allocation of Debt Service Costs on the Bonds will be adjusted to reflect Capital Contributions made by any Participants. Each Participant will also pay the Transmission Costs for the transmission of Project output from the Point of Delivery to the Participant's system. The amounts paid by the Participants will be sufficient to enable UAMPS to pay all of the costs of the ownership, operation and financing of the Peaking Project.

BILLINGS AND PAYMENTS

Billings and payments will be made monthly. All payments will be made on a "take-or-pay" basis (*i.e.*, regardless of whether the Peaking Project is operable, operating, damaged or destroyed in whole or in part) and are not subject to counterclaim, offset or reduction for any reason.

The payment obligations of Participants under the Power Sales Contracts are several and not joint.

PROJECT MANAGEMENT COMMITTEE

The Project Management Committee will function in the same manner as the project management committees for UAMPS' other projects, and pursuant to the provisions of UAMPS' Joint Action Agreement and Bylaws that govern project management committees. The Project Management Committee will recommend decisions on the Peaking Project to the UAMPS Board of Directors. The Project Management Committee will have complete and comprehensive decision-making authority over the Peaking Project.

Promptly after the Effective Date of the Power Sales Contracts, the Project Management Committee is required to establish a maximum target price for the cost of energy (\$/MWh) from the Project (the “*Target Price*”) and development milestones for determining whether the expected cost of energy from the Project exceeds the Target Price. A determination by the Project Management Committee that the Target Price is exceeded as of any determination date constitutes a determination by the Project Management Committee to terminate the Project.

ANNUAL BUDGETS

UAMPS will develop, and the Project Management Committee and the Board of Directors will approve, annual budgets for the Peaking Project that will cover all of the costs of the Peaking Project (see “PRICE” above). The annual budget will be the basis for the monthly billings and payments for the Peaking Project. The annual budget may be revised from time to time as necessary to reflect the actual costs of the Peaking Project.

PROJECT OUTPUT

Each Participant will assign the output attributable to its Entitlement Share to the UAMPS Power Pool for operating and scheduling purposes.

Under the Power Sales Contract Project output will be delivered to each Participant at the Point of Delivery (the point of interconnection between the Peaking Project and the transmission grid). Each Participant will be responsible for, and will pay all costs of, the transmission of Project output from the Point of Delivery to the Participant’s System Point of Receipt.

CAPITAL REPLACEMENTS, IMPROVEMENTS AND ADDITIONS

The Project Management Committee will have authority to approve capital replacements, improvements and additions to the Peaking Project and to determine whether to expense or capitalize and finance the cost of capital items. In the event that such items are financed by the issuance of Bonds, the Project Management Committee will determine whether to make a capital contribution option available to the Participants.

ADDITIONAL FACILITIES

UAMPS may from time to time recommend the acquisition and construction of Additional Facilities to improve or add to the Peaking Project. All Additional Facilities require the approval of the Project Management Committee.

DEFAULTS AND REMEDIES; STEP-UP OF NON-DEFAULTING PARTICIPANTS

Upon a default by any Participant, UAMPS is authorized to exercise various remedies in order to ensure that it will have sufficient revenues to meet its obligations as owner of the Peaking Project and to pay the debt service on the Bonds. Among other things, UAMPS is authorized to terminate a defaulting Participant’s Entitlement Share and to make a mandatory reallocation of

such Entitlement Share to the other Participants. No Participant's original Entitlement Share (as adjusted to reflect any voluntary assignments of Entitlement Shares previously accepted by the Participant) may be increased by more than a specified percentage (which is expected to be less than 25%) as a result of all permanent mandatory reallocations of defaulting Participants' Entitlement Shares.

PART 6. THE PROJECT AGREEMENTS

The following outlines the purpose and expected terms of the Project Agreements. The Project Agreements have not yet been drafted and will be subject to negotiation. The Project Management Committee's approval is required before execution of any of the Project Agreements.

THE EPC CONTRACT

UAMPS will enter into the EPC Contract with the Contractor to design, engineer, acquire, construct, commission, test and deliver the RICE peak power generating facility using a contractual arrangement that emphasizes professional expertise, leverages efficiencies using prior designs and competitively bids at least 80% of the construction phases and materials of the project.

Under the EPC Contractual arrangement, the Contractor will perform generally all necessary and incidental work to bring the generating facility to full completion and commercial operation. The work will be completed in accordance with a project schedule with specified milestones and completion dates. The Contractor may be required to pay damages in the event an item is not completed by its guaranteed completion date, and the amount of such damages may be limited.

It is expected that the Contractor will provide certain warranties with respect to the certain components of the generating facility and with respect to the work it performs under the EPC Contract, subject to standard exclusions.

Prior to substantial completion, the Contractor will be required to conduct a range of tests to confirm mechanical completion and the performance of the combined cycle generating facility. The Contractor is required to take remedial actions to correct performance test failures. The EPC Contract will establish various testing protocols and procedures.

It is expected that EPC Contract will require satisfaction of a number of conditions before the Contractor can certify substantial completion of the generating facility, including: (a) the generating facility can be operated in a safe and efficient manner in accordance with its plans and specifications, applicable laws and regulations; (b) the performance tests have been successfully passed and approved by UAMPS and the net deliverable capacity equals or exceeds the guaranteed minimum capacity; (c) the generating facility is capable of delivering electricity to the point of connection with the electrical grid; (d) the generating facility has received all certificates and governmental authorizations to be provided by the Contractor; (e) all quality assurance documentation has been provided to UAMPS in accordance with the quality control and quality assurance plan; (f) the Contractor has provided all training required under the EPC Contract; (g) the Contractor and UAMPS have agreed to a list of punchlist items, including estimated costs and schedules completion; and (h) the generating facility has been properly constructed with no defects and all work is mechanically, electrically and structurally sound as set forth in the plans and specifications.

The EPC Contract is expected to include a guaranteed minimum capacity for the generating facility at specified design point conditions. The EPC Contractor will be required to take remedial

actions or, in certain circumstances, to pay liquidated damages if the generating facility fails to meet the capacity guarantee.

UAMPS will be responsible to pay the Contractor under the contractual arrangement cost, to be set forth in the EPC Contract. The contract price may be adjusted to account for, possibly among other things, scope of work changes from time to time under the EPC Contract. In addition to the contract price, UAMPS may be responsible to pay other costs, such as interest on delayed payments, sales tax reimbursement, costs associated with indemnification and a termination payment in the event the EPC Contract is terminated by UAMPS without cause, as authorized by the EPC Contract.

The contract price will be payable from time to time pursuant to a payment schedule provided in the EPC Contract. A percentage of each payment may be withheld as retainage, as security for the performance of Contractor's obligations under the EPC Contract. The retained amounts will be fully released upon final completion of all work under the EPC Contract by the Contractor.

The EPC Contract will specify events that constitute a default by either party, including, with respect to the Contractor, a material breach by it under the EPC Contract and, with respect to UAMPS, the failure to make payment when due (in each case, subject to specified cure periods). In the event of a Contractor default, UAMPS may terminate the EPC Contract and take possession and use of various equipment located at the job site for the purpose of completing the remaining work, subject to the terms and conditions provided in the EPC Contract. In the event of a default by UAMPS, the Contractor may suspend service and/or terminate the EPC Contract, in which case the Contractor shall be entitled to a termination payment as specified in the EPC Contract.

THE OPERATING AGREEMENT

UAMPS may enter into an Operating Agreement to provide for the general day-to-day operation and management of the Peaking Project until an operations team has been integrated into UAMPS organization. The terms of the Operating Agreement and the identity of the operator will be approved by the Project Management Committee.

THE INTERCONNECTION AGREEMENT

The Interconnection Agreement will be the standard form Interconnection Agreement under PacifiCorp's OATT.

UAMPS will be responsible to pay for all facilities and equipment needed for the interconnection and its own operating expenses. The Interconnection Agreement will have an initial term of 10 years, and automatically renew for successive one-year terms after the expiration of the initial term.

**POWER COUNTY POWER PROJECT
POWER SALES CONTRACT**

BETWEEN

UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS

AND

HEBER LIGHT & POWER COMPANY, UTAH

DATED AS OF DECEMBER 1, 2024

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**POWER COUNTY POWER PROJECT
POWER SALES CONTRACT**

This POWER SALES CONTRACT made and entered into as of December 1, 2024, is by and between UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS, a political subdivision of the State of Utah (“*UAMPS*”) and Heber Light & Power Company, a political subdivision of the State of Utah (the “*Participant*”).

RECITALS*

WHEREAS, UAMPS was organized by the Members under the Act and the Joint Action Agreement as a separate legal entity to accomplish the Members’ joint and cooperative action, including securing power supply resources for the Members’ present and future needs;

WHEREAS, UAMPS is organized as an energy services interlocal entity under the Act with the power, among other things, to (i) acquire supplies of electric power and energy by the acquisition or construction of electric generation and transmission facilities or by contracting for the purchase of electric power and energy and (ii) enter into contracts for the sale of the output, services and other benefits provided by such facilities or contracts to public agencies and others inside or outside the State of Utah;

WHEREAS, the Participant is authorized by applicable law to develop, acquire, construct, own and operate electric generating, transmission and related facilities and ownership interests therein and has entered into the Joint Action Agreement to provide for the joint exercise of such powers through UAMPS;

WHEREAS, UAMPS has adopted an integrated resource plan that identifies the need for an additional baseload generating resource to serve the electricity supply requirements of its Members, and has conducted studies to determine the optimal facilities, equipment and location for the additional generating resource;

WHEREAS, in order to develop a long-term source of reliable, cost-effective electricity for the benefit of those Members that elect to participate in the Project (the “*Participants*,” as defined herein), UAMPS has through its Resource Project examined and is continuing to examine the feasibility of the development, construction and operation of a combined cycle natural gas-fired electric generating facility located in Power County, Idaho (the “*Project*”);

WHEREAS, UAMPS and Utah Municipal Power Agency, an energy services interlocal entity organized under the Act (“*UMPA*”), have entered into the Study Costs Sharing Agreement under which UMPA shares in the study costs of the development of the Project and may elect to become an owner of the Project pursuant to a Joint Ownership Agreement between UAMPS and UMPA;

* Capitalized terms used and not defined in the Recitals have the meanings assigned to them in Section 1.

WHEREAS, pursuant to the Power Sales Contracts, UAMPS will continue with the development of the Project and, if the Project Management Committee determines the Project to be feasible, will proceed with the acquisition, construction and operation of the Project and will sell Electric Energy from the Project to the Participants;

WHEREAS, in order to finance the Development Costs and the Cost of Acquisition and Construction of the Project, UAMPS will enter into the Financing Documents and may issue revenue bonds, notes or other obligations payable from a pledge of the payments to be made by the Participants under the Power Sales Contracts and any other revenues received by UAMPS in connection with the Project;

WHEREAS, prior to its authorization of the execution, delivery and performance by the Participant of this Power Sales Contract, the governing body of the Participant has reviewed (or caused a review to be made of) various descriptions and summaries of the Project, the Project Agreements and this Power Sales Contract, and the Participant's current and reasonably anticipated future requirements for Electric Power and Electric Energy, and the governing body of the Participant has determined that it is necessary and desirable for the Participant to enter into this Power Sales Contract in order to obtain a long-term, cost-based supply of Electric Energy by the acquisition of an Entitlement Share pursuant to the terms and conditions of this Power Sales Contract;

WHEREAS, UAMPS will cause the Project to be operated in accordance with Good Utility Practice and will schedule the Project Output in accordance with the Operating and Scheduling Procedures, all for the joint and ratable benefit of the Participants; and

WHEREAS, UAMPS and the Participant are duly authorized under applicable provisions of law, to execute, deliver and perform this Power Sales Contract and their respective governing bodies and any regulatory agencies having jurisdiction have taken all necessary actions and given all necessary approvals in order to constitute this Power Sales Contract as the legal, valid and binding obligation of the parties.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, it is agreed by and between the parties to this Power Sales Contract as follows:

Section 1. Definitions and Rules of Construction. (a). As used in this Power Sales Contract and in the Recitals set out above:

"Act" means the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended, and other applicable provisions of law.

"Additional Bonds" means additional Bonds from time to time issued by UAMPS pursuant to the Financing Documents and in accordance with Section 18.

"Additional Facilities" means capital additions, betterments and replacements and other capital items directly and functionally related to the Project, including electric transmission, fuel transportation, storage, fuel storage and related facilities, additional electric generating and related

facilities located at the Project site, long-term supplies of natural gas or other fuel for the use of the Project and any other facilities, improvements and properties designated by the Project Management Committee as Additional Facilities under the Power Sales Contracts.

“Annual Budget” means the budget adopted by UAMPS for each Contract Year pursuant to the provisions of Section 24.

“Authorized Officer of UAMPS” means the Chairman of the Board of Directors, the Vice Chairman of the Board, the Secretary, the Treasurer and the Chief Executive Officer of UAMPS and any other officer or employee authorized or having delegated authority to perform specific acts or duties under the Power Sales Contracts by resolution duly adopted by the Board.

“Billing Period” means such period of time as shall be established from time to time by UAMPS for the preparation, calculation and billing of the amounts payable by the Participant hereunder.

“Board” means the Board of Directors of UAMPS or such other governing body of UAMPS as may be established from time to time pursuant to the Joint Action Agreement and the Act.

“Bond Counsel” means a firm of attorneys of recognized standing in matters relating to the tax status of municipal bonds, experienced in matters relating to public power systems and selected by UAMPS.

“Bond Fund” means the funds and accounts created by the Financing Documents for the payment of debt service on Bonds and reserves therefor.

“Bonds” means (i) bonds, notes, repayment obligations under loan agreements and lines of credit, and other debt obligations issued or incurred from time to time by UAMPS pursuant to the Financing Documents to finance Development Costs and the Cost of Acquisition and Construction, regardless of whether such bonds, notes and other obligations are senior or subordinated obligations, (ii) Additional Bonds and (iii) Refunding Bonds.

“Budget and Plan of Finance” means the comprehensive budget and plan of finance for the Development Costs, the Construction Costs and other items of the Cost of Acquisition and Construction approved from time to time by the Project Management Committee, together with proposed financing arrangements for Development Costs during the Development Period and for Construction Costs during the Construction Period, all as more fully described in Section 15.

“Capital Contribution” means (i) a capital contribution in respect of the Cost of Acquisition and Construction of, the Initial Facilities that is paid to UAMPS by the Participant pursuant to Section 17 and (ii) a capital contribution paid to UAMPS in connection with the issuance of Additional Bonds or Refunding Bonds as may be authorized by the Project Management Committee pursuant to Section 17(g).

“Capital Contribution Percentage” means with respect to each series of Bonds, a percentage calculated by UAMPS obtained by dividing (i) the dollar amount of the Capital Contribution made by the Participant, by (ii) the Reference Project Costs, all as more fully provided in Section 17(e).

“Code” means the Internal Revenue Code of 1986, as amended. References herein to the Code are deemed to include the applicable U.S. Treasury Regulations thereunder.

“Commercial Operation” means, with respect to the Initial Facilities, the date on which the Initial Facilities (i) have been substantially completed pursuant to the EPC Agreement and any other Construction Agreements that may be applicable, including the satisfaction of all required performance tests thereunder, (ii) are capable of continuous firm operation, (iii) are interconnected and synchronized with, and capable of delivering Electric Energy to, the transmission grid, (iv) have received all Permits and Approvals required for their operation, and (v) meet such additional requirements as may be established by the Project Management Committee. The criteria and standards for the Commercial Operation of any Additional Facilities shall be developed by UAMPS and submitted to the Project Management Committee for its review and approval.

“Commercial Operation Date” means, with respect to the Initial Facilities and any Additional Facilities, the date on which all of the Initial Facilities and any Additional Facilities achieve Commercial Operation, as determined by the Project Management Committee.

“Commercially Reasonable” or *“Commercially Reasonable Efforts”* means, with respect to any action required to be made, attempted or taken by a party under this Contract or one of the Project Agreements, such efforts as a reasonably prudent business would undertake, consistent with Good Utility Practice, for the protection of its own interest under the conditions affecting such action, including without limitation, the amount of notice of the need to take such action, the duration and type of the action, the competitive environment in which such action occurs, the terms and provisions of the Project Agreements and the Financing Documents, the contractual and legal obligations of, and the risk to, such party in connection with such action; *provided, however*, an obligation to act in a “Commercially Reasonable” manner or to exercise “Commercially Reasonable Efforts” does not include taking actions that would, individually or in the aggregate, cause the party subject to such obligation to incur costs, or suffer any other detriment, that is out of reasonable proportion to the benefits to the other party under this Contract or the Project Agreements.

“Completion of Development” means, with respect to the Initial Facilities (i) the completion of all Development Work, (ii) the receipt of all Permits and Approvals necessary for the construction of the Project, (iii) the completion of definitive forms of the principal Construction Agreements, (iv) the completion of the definitive Budget and Plan of Finance for the Cost of Acquisition and Construction, and (v) a determination by the Project Management Committee that the Project is feasible and that the construction of the Initial Facilities should proceed, all as more fully described in Section 6.

“Construction Agreements” means the EPC Agreement and each other agreement entered into by UAMPS for the acquisition and construction of any part of the Initial Facilities and any Additional Facilities.

“Construction Costs” means all of the Cost of Acquisition and Construction of the Initial Facilities incurred during the Construction Period.

“Construction Period” means the period beginning on the date that the Project Management Committee determines that the Completion of Development has occurred and UAMPS delivers the task order directing the EPC Contractor to proceed with construction under the EPC Agreement and ending on the Commercial Operation Date.

“Contract” means this Power County Project Power Sales Contract dated as of December 1, 2024 between UAMPS and the Participant and any amendments permitted pursuant to Section 43.

“Contract Resolution” means the resolution of the Participant’s governing body approving and authorizing the execution of this Contract, in substantially the form attached to EXHIBIT III.

“Contract Year” means the Fiscal Year of UAMPS, except that the first Contract Year shall commence on the Effective Date and shall end on the last day of the then-current Fiscal Year. In the event that UAMPS changes its Fiscal Year for accounting purposes, the Contract Year shall, without further action, be amended to conform to such Fiscal Year.

“Cost of Acquisition and Construction” means all costs and expenses paid or incurred by UAMPS in connection with the acquisition and construction of the Project, whether prior or subsequent to the Effective Date, including all Development Costs. “Cost of Acquisition and Construction” includes all costs incurred by UAMPS in connection with planning, designing, acquiring, constructing and placing in operation the Initial Facilities and any Additional Facilities, and amounts paid or payable under the Construction Agreements (including all costs, fees, compensation and incentives payable to the EPC Contractor under the EPC Agreement). “Cost of Acquisition and Construction” includes, without duplication of any cost, the following:

- (1) working capital and reserve requirements of the Project, including, without limitation, amounts for deposit into the Reserve and Contingency Fund and those items set forth in the definition of Operation and Maintenance Costs, as may be determined from time to time by UAMPS;

- (2) interest accruing in whole or in part on Bonds issued to pay all or any portion of the Cost of Acquisition and Construction or the Cost of Additional Facilities prior to and during the acquisition and construction thereof and for such additional period as UAMPS may determine to be reasonably necessary for placing the Project or the Additional Facilities in operation in accordance with the provisions of the Budget and Plan of Finance;

(3) the deposit or deposits, if any, required to be made under the Financing Documents from the proceeds of Bonds into any fund or account established pursuant to the Financing Documents to meet debt service reserve requirements for the Bonds and premiums and fees payable for any credit or liquidity facilities with respect to the Bonds;

(4) the deposit or deposits into the Bond Fund and any other fund or account required to be funded by the Financing Documents;

(5) the payment of principal or redemption price of and interest on any Bonds issued as bond anticipation notes;

(6) planning and development costs, engineering fees, contractors' fees, fiduciaries' fees, auditors' and accountants' fees, costs of obtaining all permits and approvals, the cost of real property, labor, materials, equipment, supplies, training and testing costs, insurance premiums, legal, financial advisory and financing costs and issuance costs of the Bonds, amounts payable under the Real Estate Agreements, administrative and general costs, and all other costs properly allocable to the acquisition and construction of the Project and placing the same in operation;

(7) all costs relating to litigation, claims or judgments not otherwise covered by insurance and arising out of the acquisition, construction or operation of the Project or otherwise related to the Project, the Project Agreements, the Power Sales Contracts or the transactions contemplated thereby;

(8) payment to UAMPS or any Participant to reimburse advances and payments made or incurred for costs preliminary or incidental to the acquisition and construction of the Project;

(9) legally required or permitted federal, state and local taxes, or payments in lieu of such taxes, relating to the Project incurred during the period of the acquisition or construction thereof;

(10) the cost of long-term supplies of natural gas or other fuel supplies necessary or desirable in connection with the operation of the Project and the costs of transporting fuel supplies to the Project and prepayments and advance payments therefor, including the costs of pipelines, laterals, receiving stations or capacity rights therein; and

(11) all other costs incurred by UAMPS, and properly allocable to the acquisition and construction of the Project, including all costs financed by the issuance of Additional Bonds.

"Debt Service Costs" means, for each Billing Period of each Contract Year, an amount equal to the sum of:

(1) the interest accruing on the Bonds during such Billing Period, except to the extent that amounts are on deposit under the Financing Documents to pay such interest,

together with any other amounts required by the Financing Documents to be deposited into the Bond Fund in respect of the interest payments on the Bonds;

(2) the portion of the next due principal installment on the Bonds, together with any other amounts required by the Financing Documents to be deposited into the Bond Fund in respect of the principal payments on the Bonds; provided however, that the amount included in Debt Service Costs pursuant to this clause (2) shall not include the principal of Bonds becoming due and payable solely as a result of the acceleration of the maturity thereof;

(3) the scheduled amounts falling due during such Billing Period under any Interest Rate Contract with respect to the Bonds;

(4) any additional amounts necessary or required to be deposited into the Bond Fund or the Subordinated Indebtedness Fund under the provisions of the Financing Documents;

(5) Trustee, paying agent, escrow agent and other fiduciaries' fees and expenses payable under the Financing Documents; fees and expenses of remarketing agents, broker-dealers, auction agents and other providing services with respect to Bonds;

(6) the amounts required to be paid to maintain any credit or liquidity facilities for and ratings on the Bonds and other costs payable by UAMPS from time to time in connection with the Bonds; and

(7) the amounts required to be paid under any Financing Document that is a credit agreement, credit facility, loan agreement or other instrument or facility used to finance Development Costs, including the repayment of all drawings thereunder, the interest on such drawings and the fees, expenses and other charges payable by UAMPS thereunder;

provided, however, that the additional interest expense on or in respect of any Bonds that are subject to federal income taxation (and not eligible for tax credits or interest subsidy payments) may, as determined by the Project Management Committee pursuant to Section 16(d), be allocated to those Participants whose legal status or use of the Project Capability or the Project Output adversely affects the Tax Status of such Bonds. In the event of such allocation, the Debt Service Costs payable by such Participants shall be increased to include amounts sufficient to pay any such additional interest expense.

"Debt Service Percentage" means, with respect to each Participant and as of any date of determination, the percentage obtained by subtracting the Participant's Capital Contribution Percentage from the Participant's Entitlement Share. The Participant's initial Debt Service Percentage will be calculated at the time that it pays a Capital Contribution and will be set forth on SCHEDULE I. The Debt Service Percentages for the Participants may be calculated separately for each separate series of Bonds.

“Debt Service Share” means, with respect to each Participant and as of any date of determination, the percentage of Debt Service Costs payable by the Participant, determined by dividing the Participant’s Debt Service Percentage (expressed as a decimal) by the sum (expressed as a decimal) of the Debt Service Percentages of all Participants, including the Participant whose Debt Service Share is being determined. The Participant’s initial Debt Service Share will be calculated at the time that it pays a Capital Contribution and will be set forth on SCHEDULE I. The Debt Service Shares for the Participants may be calculated separately for each separate series of Bonds.

“Decommission” means all actions necessary to safely retire and remove the Project from service, restore the Project site, satisfy the decommissioning requirements of the Permits and Approvals and satisfy all requirements of the regulatory agencies having jurisdiction over the decommissioning of the Project.

“Decommissioning Costs” means the costs and expenses of Decommissioning the Project.

“Decommissioning Fund” means the fund or funds established by UAMPS for the payment of Decommissioning Costs as provided in Section 22.

“Decommissioning Period” means the period beginning at the end of the Operating Period and continuing to the date on which the Project has been Decommissioned and all Decommissioning Costs have been paid.

“Development Cost Share” means with respect to each Participant, the percentage of Development Costs payable by the Participant during the Development Period, determined by dividing the Participant’s Development Share by the sum of the Development Shares of all Participants. The Participant’s initial Development Cost Share will be set forth on SCHEDULE D.

“Development Costs” means all costs, fees and expenses incurred by UAMPS in performing the Development Work, including (i) costs, fees and expenses incurred by UAMPS in connection with its initial consideration and examination of the Project through its Resource Project, (ii) the costs of transmission and interconnection studies and deposits for such costs and (iii) pre-construction costs approved by the Project Management Committee, including deposits, advance payments and prepayments for items of the Cost of Acquisition and Construction of the Initial Facilities.

“Development Period” means the period beginning on the Effective Date and ending on the earlier of (i) the date that the Project Management Committee determines that the Completion of Development has occurred or (ii) the date that the Project Management Committee determines to terminate the Project, all as provided in Section 6.

“Development Share” means the quantity of Electric Power from the Project elected by the Participant as of the Effective Date and shown opposite the name of the Participant in SCHEDULE D attached hereto.

“Development Work” means all work and services necessary or desirable in connection with:

- (i) the selection of the site for the Project, the negotiation of the Real Estate Agreements and all other work necessary to secure all rights and interests to the real property necessary for the Project;
- (ii) obtaining the transmission and interconnection agreement(s) necessary to deliver Electric Energy from the Project to Participants;
- (iii) the estimating, design and engineering work to be performed with respect to the Initial Facilities;
- (iv) the development and negotiation of definitive Project Agreements and any other contracts and agreements necessary in connection with the Project;
- (v) obtaining all Permits and Approvals necessary for the construction and operation of the Project;
- (vi) the continued development of and updates to the Budget and Plan of Finance; and
- (vii) such other work and services as shall be approved by the Project Management Committee.

“Effective Date” means (i) with respect to the initial Power Sales Contracts, the date established pursuant to the provisions of Section 2(a), and (ii) with respect to any Power Sales Contract executed by a Participant after the Effective Date, such date as shall be approved by the Project Management Committee.

“Electric Energy” means electric energy expressed in kilowatt-hours (kWh).

“Electric Power” means electric power expressed in kilowatts (kW).

“Electric System” means the Participant’s electric utility system as established, maintained and operated pursuant to applicable State and local law. With respect to any Participant that does not own and operate an electric utility system that serves retail customers, the term “Electric System” shall be deemed to refer to the applicable utility system designated in its Power Sales Contract.

“Engineering Studies and Reports” means collectively, the written studies, analysis, summaries and reports (a) regarding the Participant’s current power supply resources and projected power supply requirements provided by UAMPS in connection with the Participant’s consideration of this Power Sales Contract and (b) regarding such aspects of the Project as the Project Management Committee shall deem necessary or advisable in connection with its governance and oversight of the Project.

“Enterprise Fund” means the electric enterprise fund of the Participant as established and maintained pursuant to applicable State and local law. With respect to any Participant that does maintain an electric enterprise fund, the term “Enterprise Fund” shall be deemed to refer to the applicable enterprise fund designated in its Power Sales Contract.

“Entitlement Share” means, with respect to each Participant and as the context may require, either the amount of Electric Power or the percentage of the initial Project Capability shown opposite the name of such Participant to be set forth in the SCHEDULE I that shall be approved by the Project Management Committee in connection with the Completion of Development, as the same may be revised from time to time in accordance with the provisions of this Power Sales Contract.

“EPC Agreement” means the agreement between UAMPS and the EPC Contractor with respect to the engineering, procurement and construction of the Initial Facilities.

“EPC Contractor” means the firm or corporation appointed as the engineering, procurement and construction contractor pursuant to the EPC Agreement.

“Final Completion” (or such similar term as may be used in the EPC Agreement) means the final completion of the Initial Facilities as determined pursuant to the EPC Agreement.

“Financing Documents” means the bond resolution, indenture, trust agreement or other instrument or instruments providing for the issuance of and the security for the Bonds and all amendments thereof and supplements thereto.

“Fiscal Year” means the annual accounting period of UAMPS as from time to time in effect, initially a period commencing on April 1 of each calendar year and ending on March 31 of the next succeeding calendar year.

“Fuel Agent” means any entity appointed by UAMPS to manage or facilitate the acquisition, transportation and storage of fuel for the operation of the Project and/or the management of the costs of fuel for the Project.

“Fuel Agreement” means any agreement entered into by or on behalf of UAMPS for the acquisition, transportation or storage of fuel for the Project, and also includes tolling agreements and any agreement entered into by UAMPS to manage the cost of fuel for the Project, including options, caps, collars, swaps and similar agreements.

“Good Utility Practice” means, as of any particular time, any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry at such time, or which, in the exercise of reasonable judgment in light of facts known at such time, could have been expected to accomplish the desired results at the lowest reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others or to be limited to the lowest-cost practice, method or act, but rather to be a spectrum of possible practices, methods and acts, having due regard for manufacturers’ warranties and the jurisdiction.

“Initial Facilities” means the real and personal property, facilities, structures, improvements and equipment to be acquired and constructed in connection with the initial operation of the Project as generally described on EXHIBIT I. In connection with the Completion of Development and at such other times as it deems necessary, UAMPS shall submit updates to EXHIBIT I to the Project Management Committee for approval.

“Interconnection Agreement” means each agreement providing for the interconnection of the Project with the facilities of a transmission provider and all supplements and amendments thereto, together with any successor or replacement agreement providing for the interconnection of the Project with the transmission grid.

“Interest Rate Contract” means any International Swap Dealers Association (ISDA) Master Agreement, together with the schedules and confirmations thereto, that is an interest rate swap, cap, floor, collar or similar agreement to manage or hedge interest rates or expenses.

“Joint Action Agreement” means the Utah Associated Municipal Power Systems Amended and Restated Agreement for Joint and Cooperative Action dated as of March 20, 2009, as amended and supplemented from time to time.

“Joint Ownership Agreement” means (i) an agreement under which UAMPS and another person own the Project or a portion thereof as tenants in common, (ii) agreements between UAMPS and another person or persons for the organization and operation of a Special Purpose Entity and (iii) any other form of joint ownership arrangement approved by the Project Management Committee.

“Members” means, collectively, each entity which has executed the Joint Action Agreement or a supplement thereto.

“Minimum Subscription” is defined in Section 2.

“Month” means a calendar month.

“Operating Agreement” means any contract between UAMPS and an Operator providing for the operation and maintenance of all or any portion of the Project.

“Operating Period” means the period beginning on the Commercial Operation Date and continuing to the date on which the Project is retired and removed from service.

“Operating and Scheduling Procedures” means those standards, procedures and criteria approved from time to time by the Project Management Committee with respect to the operation of the Project and the Project Capability and the scheduling of the Project Output which shall, to the extent practicable, promote the efficient and economic utilization of the Project, the Project Capability and the Project Output consistent with Good Utility Practice for the benefit of the Participants taken as a whole.

“Operation and Maintenance Costs” means, with respect to each Billing Period of each Contract Year, all costs and expenses (other than Transmission Costs and Debt Service Costs) attributable to the Project that are paid, payable, incurred or accrued by UAMPS during each Billing Period resulting from the ownership, operation, maintenance and termination of, and repairs, renewals, replacements, additions, improvements, and betterments and modifications to, the Project. Operation and Maintenance Costs shall further include, without limitation, the following items of cost:

- (1) the costs of operating and maintaining the Project and of producing Electric Power and Electric Energy therefrom during such Billing Period, including the operation and maintenance expenses and fuel costs of the Project pursuant to the Project Agreements, amounts payable under the Operating Agreement and each Fuel Agreement (including fees, expenses, incentives and other compensation payable to the Operator and the Fuel Agent);
- (2) any amount which UAMPS may be required during such Billing Period to pay for the prevention or correction of any unusual loss or damage or for renewals, replacements, repairs, additions, improvements, modifications and betterments which arise out of or are required by the Project Agreements for which UAMPS shall be obligated, but only to the extent that funds for such payment are not provided by the issuance of Bonds or Capital Contributions made by the Participants;
- (3) legally required or permitted federal, state and local taxes and ad valorem taxes or payments in lieu of ad valorem taxes, in each case related to the Project;
- (4) all other amounts, including fuel costs, payable by UAMPS pursuant to the provisions of the Project Agreements;
- (5) any additional amount not specified in the other items of this definition which must be paid by UAMPS during such Billing Period under the Project Agreements;
- (6) the portion of UAMPS’ administrative and general expenses allocable or directly charged to the Project, working capital and reserves for the payment of operation and maintenance expenses, and all other costs and expenses (but excluding depreciation) not included in the costs specified in the other items of this definition and properly chargeable to the Project;
- (7) amounts to be deposited into the Reserve and Contingency Fund established pursuant to Section 20;
- (8) legal, engineering and accounting fees and expenses, the cost of any litigation related to the Project, the Project Agreements, this Power Sales Contract and the interests and transactions contemplated by such agreements and this Power Sales Contract, the costs of technical and advisory services and the cost of all Permits and Approvals, all to the extent allocable to the Project;

(9) the costs of Additional Facilities, but only to the extent not paid or financed as a portion of the Cost of Acquisition and Construction; and

(10) Decommissioning Costs and amounts for deposit into the Decommissioning Fund.

“Operator” means any entity that performs all or a substantial portion of the operation and maintenance work on the Project under an Operating Agreement with UAMPS.

“Participant” means the party defined as the Participant in the preamble of this Power Sales Contract and its permitted successors and assigns hereunder.

“Participants” means the parties, including the Participant, other than UAMPS, to the Power Sales Contracts and (i) initially named on SCHEDULE D, and (ii) from and after the Completion of Development, named on SCHEDULE I.

“Participant’s Representative” means (i) the officer, employee or other agent of the Participant designated from time to time by the Participant as the Representative of the Participant for purposes of the Joint Action Agreement, to whom all notices and other communications to be given by UAMPS to the Participant hereunder shall be sent or (ii) in the event that the individual appointed as the Participant’s Representative is unavailable to act on behalf of the Participant, the individual duly appointed or designated by the Participant as its alternate Representative pursuant to the Joint Action Agreement.

“Performance Tests” means all start-up and shakedown procedures and performance tests to be conducted under the EPC Agreement before Final Completion.

“Permits and Approvals” means all certificates, permits, licenses, approvals, rulings, orders or other authorizations from any federal, state or local governmental body, board or agency having jurisdiction over UAMPS, the Project or both that are required to be obtained or maintained for the construction, operation, maintenance or repair of the Project or any component of it.

“Permitted Output Contract” means a contract that:

(i) (A) has a term (including all renewal options) not longer than three years and is either a negotiated arrangement that provides for compensation at fair market value or is based on generally applicable and uniformly applied rates, or (B) is a requirements-type contract that provides for the sale of electricity to a retail consumer or other end user of electricity; and

(ii) in each case (A) complies with the provisions of U.S. Treasury Regulation Section 1.141-7 and (B) is approved by UAMPS based on guidance provided by Bond Counsel.

“Point of Delivery” means the point or points of physical interconnection of the Initial Facilities or Additional Facilities, as applicable, with the electric transmission grid, as determined pursuant to the Interconnection Agreement.

“Pooling Agreement” means, collectively, the Power Pooling Agreements between UAMPS and the Members and certain other entities providing for the establishment and operation of the UAMPS Pool and related matters, including all supplements and appendices thereto and as the same may be amended, restated or supplemented from time to time.

“Power Sales Contract” means this Power Sales Contract between UAMPS and the Participant and *“Power Sales Contracts”* means all of the Power Sales Contracts, dated the date hereof, between UAMPS and the Participants, all of which are uniform in all material respects in their terms, conditions and provisions, with the exception of: (i) the Development Share, the Development Cost Share, the Entitlement Share, the Capital Contribution Percentage, the Debt Service Percentage and the Debt Service Share for each of the Participants; (ii) for those Participants that are political subdivisions of a State other than Utah, revisions relating to the Participant’s status as a political subdivision of another State and the fact that it is governed by and subject to the laws of that State; (iii) for those Participants that are cooperative utilities, revisions relating to the Participant’s corporate status, the definition of “Qualified Use” and the provisions of Section 32(f); (iv) for those Participants that do not own and operate electric utility systems that serve retail customers, the revisions noted in the definitions of “Electric System” and “Enterprise Fund” and revisions relating to the Participant’s corporate status, the definition of “Qualified Use” and the provisions of Section 32(f); and (v) the matters set forth in the Exhibits.

“Project” means the development, acquisition, ownership, construction, improvement, equipping, operation, retirement and decommissioning of the Initial Facilities and any Additional Facilities, and the rights, interests, obligations and liabilities of UAMPS under the Project Agreements and the Permits and Approvals.

“Project Agreements” means, collectively, the Construction Agreements, the Operating Agreement, the Real Estate Agreements, each Fuel Agreement, the Interconnection Agreement, the Transmission Agreements, any Joint Ownership Agreement and any other agreements entered by UAMPS to further the acquisition, development, construction, and operation of the Project.

“Project Capability” means the nominal Electric Power and associated Electric Energy that the Project is capable of producing, net of (reduced by) the Electric Power (project capability) owned by another person under a Joint Ownership Agreement. The Project Capability initially available to UAMPS shall be based on the aggregate nameplate rating of the generating units included in the Initial Facilities with such adjustments as the Project Management Committee deems necessary to reflect the actual capability of the Initial Facilities. Project Capability initially means the aggregate amount of Electric Power shown on EXHIBIT I hereto and associated Electric Energy.

“Project Management Committee” means the committee of the Participants established pursuant to Section 5 which shall make certain decisions and recommendations with respect to the operation and management of the Project as provided herein.

“Project Output” means the amount of Electric Power and Electric Energy, if any, which is actually generated by the Project in any particular hour.

“Qualified Use” means the sale of electricity to retail customers located within the Participant’s electricity “service area” pursuant to generally applicable and uniformly applied rate schedules or tariffs; *provided that*:

(a) “Qualified Use” shall not include any sale of electricity that gives rise to “private business use” or a “private loan” within the meaning of Section 141 of the Code;

(b) “Qualified Use” shall include the use of electricity by a Participant to meet its own requirements; and

(c) “Qualified Use” shall include sales of electricity under Permitted Output Contracts and other sales and uses of electricity, in each case as may be approved by UAMPS based on guidance provided by Bond Counsel.

For purposes of this definition, “service area” has the meaning assigned to such term in U.S. Treasury Regulation Section 1.148-1(e)(2)(iii) and includes any area recognized as the electricity service area of the Participant under state or federal law.

“Real Estate Agreements” means the agreements entered into by UAMPS to obtain necessary site control and easement rights for the acquisition and construction of the Project.

“Reference Project Costs” means, for purposes of calculating the amount of a Capital Contribution to be made by the Participant as provided in Section 17, the estimated Cost of Acquisition and Construction determined by UAMPS and approved by the Project Management Committee prior to the first issuance of long-term Bonds to finance the Cost of Acquisition and Construction of the Initial Facilities or any Additional Facilities. Reference Project Costs shall not include amounts for (i) costs of issuance, debt service reserves or capitalized interest on Bonds and (ii) any other items in the definitions of “Development Costs” or “Cost of Acquisition and Construction” not properly allocable to Reference Project Costs, as determined by the Project Management Committee.

“Refunding Bonds” means refunding Bonds from time to time issued by UAMPS pursuant to the Financing Documents and in accordance with Section 18.

“Required Approvals” means all governmental, regulatory and lender approvals, consents and authorizations required or necessary for (i) the execution, delivery and performance of this Contract (or any amendment hereto) by the Participant and (ii) this Contract (or any amendment hereto) to be the legal, valid and binding obligation of the Participant.

“Reserve and Contingency Fund” means the fund, if any, established pursuant to Section 20.

“Study Costs Sharing Agreement” means the Agreement to Share and Participate in Study Costs dated as of July 1, 2024, between UAMPS and UMPA.

“Substantial Completion” (or such similar term as may be used in the EPC Agreement) means the substantial completion of the Initial Facilities as determined pursuant to the EPC Agreement.

“Super-Majority Vote” means the affirmative vote of Participants’ Representatives that represent 75% of (i) the number (per capita) of Participants’ Representatives serving on the Project Management Committee, and (ii) during the Development Period, the Development Cost Shares of all Participants or, after the Development Period, the Entitlement Shares of all Participants. For the avoidance of doubt, in the event that a Super-Majority Vote is required when a Participant’s Representative is not entitled to vote on matters before the Project Management Committee pursuant to Section 5(b)(1), such Participant’s Representative and such Participant’s Development Cost Share or Entitlement Share (as applicable) shall be disregarded in computing the percentages of Participants’ Representatives and Entitlement Shares that have voted on the matter requiring a Super-Majority Vote.

“System Point of Receipt” means (i) the point(s) of interconnection between the Participant’s electric utility system and the transmission facilities of the applicable balancing authority or authorities, or (ii) such other point(s) for the receipt by the Participant of Electric Energy from the Project as may be agreed to by the parties.

“Tax Status” means (i) the exclusion from gross income for federal income tax purposes of the interest on any Bonds issued as tax-exempt obligations, or (ii) the right of a bondowner (or other investor) to receive tax credits or the right of UAMPS to receive interest subsidy payments on any Bonds issued as tax credit bonds or interest subsidy bonds, respectively, in each case pursuant to the provisions of the Code.

“Transmission Agreements” means each transmission contract, agreement or tariff that is used or necessary for the delivery of Electric Power and Energy from the Point of Delivery to the Participant’s System Point of Receipt, whether by direct transmission, displacement, exchange or otherwise.

“Transmission Costs” means, for each Billing Period of each Contract Year, all capital, operating and other costs and expenses paid, payable, incurred or accrued by UAMPS during such Billing Period for the transmission of Electric Energy from the Project to the Participant’s System Point of Receipt pursuant to the Transmission Agreements or otherwise. The Participant shall be responsible for the payment of Transmission Costs to UAMPS hereunder only to the extent that UAMPS has, at the request of the Participant, entered into or utilized Transmission Agreements for the transmission of Electric Energy from the Point of Delivery to the Participant’s System Point of Receipt.

“Trustee” means the bank or trust company acting as the trustee under the Financing Documents.

“UAMPS” means Utah Associated Municipal Power Systems, a political subdivision organized and existing under the laws of the State of Utah, the Act and the Joint Action Agreement, and its successors. All references to UAMPS in this Power Sales Contract shall include Authorized Officers of UAMPS and their delegates acting pursuant to specific authorization by the Board.

“UAMPS Pool” means that electric power pool or pools established pursuant to the Pooling Agreement between UAMPS and the Members under which UAMPS provides certain services with respect to the scheduling, dispatch and the sale of Electric Power and Electric Energy and other matters pursuant to the operating criteria and procedures provided for in the Pooling Agreement.

“UMPA” means Utah Municipal Power Agency, a political subdivision organized and existing under the laws of the State of Utah, the Act and the interlocal cooperation agreement among its members, and its successors.

“Uncontrollable Force” means any cause, event or force beyond the control of the party affected, including, but not restricted to failure, or threat of failure of facilities, flood, earthquake, storm, fire, lightning, epidemic, war, acts of a public enemy, riot, civil disturbance or disobedience, labor dispute, labor or material shortage, sabotage, and restraint by court or public authority and action or non-action by, or inability to obtain the necessary authorizations or approvals from, any governmental agency or authority, which by exercise of due diligence and foresight such party could not reasonably have been expected to avoid and which by exercise of due diligence it shall be unable to overcome. “Uncontrollable Force” includes any cause, event or force constituting “force majeure,” “uncontrollable force” or similar term as defined in any Project Agreement.

“Uniform System of Accounts” means the Federal Energy Regulatory Commission Uniform Systems of Accounts Prescribed for Public Utilities and Licensees Subject to the Provisions of the Federal Power Act, 18 C.F.R. Part 101, as the same may be modified, amended or supplemented from time to time or such other system of accounting as may be applicable by law to UAMPS.

(b) References to Articles, Sections, Schedules and Exhibits are to the Articles and Sections of and Schedules and Exhibits to this Contract, unless otherwise provided. Article and Section headings are included herein for convenience of reference only and shall not constitute a part of this Contract for any other purpose or be given any substantive effect. Any of the defined terms may, unless the context otherwise requires, be used in the singular or the plural, depending on the reference. The use of the word “include” or its derivations shall not be construed as language of limitation.

(c) References to contracts and agreements, including the Project Agreements, refer to such contracts and agreements as they may be amended or supplemented from time to time in accordance with their respective provisions and, in the case of the Project Agreements, the provisions of Section 40.

(d) Any representation, warranty, certificate or legal opinion with respect to the enforceability of this Contract or any other contract or agreement made in or provided pursuant to

this Contract shall be deemed to be qualified by reference to the effect of applicable bankruptcy, insolvency, moratorium, reorganization or similar laws affecting creditor's rights generally and by the application of equitable principles, regardless of whether such qualification is expressly stated herein or therein.

Section 2. Effective Date and Term of Contract. (a) Promptly upon its governing body's adoption of the Contract Resolution and its receipt of any other Required Approvals, the Participant shall (i) cause this Contract to be executed by its authorized officers, and (ii) deliver to UAMPS notice of the requested amount of its Development Share (in kW) and an executed counterpart of this Contract, together with its executed certificate (in substantially the form attached hereto as EXHIBIT III) and its executed opinion of counsel (in substantially the form attached hereto as EXHIBIT V). The Effective Date of the Power Sales Contracts shall occur on the date on which UAMPS receives executed Power Sales Contracts and the other items described in the preceding sentence from Participants that have requested Development Shares totaling 85% of the expected Project Capability as of the Effective Date (the "*Minimum Subscription*"). At its initial meeting, the Project Management Committee shall confirm and declare that the Effective Date has occurred, shall approve any changes to the expected Project Capability and shall approve the completed form of SCHEDULE D. The Authorized Officers of UAMPS shall execute all such Power Sales Contracts as of the date that the Effective Date occurs. Once it has occurred, the Effective Date shall not be affected by any subsequent action, event or circumstance.

(b) If the Minimum Subscription is achieved but the total amount of Electric Power requested by the Participants is less than the expected amount of the Project Capability, UAMPS will during the Development Period solicit additional Project participation by third parties under Power Sales Contracts, Joint Ownership Agreements or other arrangements. Participants that have executed Power Sales Contracts may also elect to increase their Development Shares at such times and in such amounts as may be approved by the Project Management Committee up to and including the end of the Development Period. In the event that less than all of the expected Project Capability is fully subscribed at the end of the Development Period as described in this paragraph, UAMPS shall take such actions as are necessary to downsize the expected Project Capability to the amount of subscription under the Power Sales Contracts and any Joint Ownership Agreements or other arrangements. UAMPS and the Participant acknowledge and agree that it may not be possible to precisely match the final amount of the expected Project Capability with the amount of Project subscription and in this case the Project Management Committee will have the authority to approve such true up adjustments to the Entitlement Shares of all Participants as are necessary at the time that it approves the initial SCHEDULE I.

(c) This Contract will become effective upon the Effective Date, and will, unless terminated pursuant to Section 43, continue until the last to occur of : (i) the date on which all of the Project Agreements have terminated or expired in accordance with their respective terms and all obligations of UAMPS thereunder have been fully paid, satisfied or discharged; (ii) the date on which all Bonds have been paid in full as to principal, premium and interest, or sufficient funds shall have been irrevocably set aside for the full defeasance thereof and all other obligations of UAMPS under the Financing Documents have been paid or satisfied; and (iii) the date on which the Initial Facilities and any Additional Facilities shall be permanently removed from service and

Decommissioned and all Decommissioning Costs shall have been paid or irrevocable arrangements have been made that fully fund all Decommissioning Costs.

Section 3. Development Share; Entitlement Share. (a) From the Effective Date through the end of the Development Period, the Participant shall have a Development Share and a Development Cost Share as set forth on SCHEDULE D. A Participant's Development Cost Share shall not exceed [__]¹ percent, unless otherwise approved by the Project Management Committee.

(b) By virtue of its Development Share and in consideration of its associated Development Cost Share, the Participant (i) shall have the right to participate in the decision-making over the development of the Project through its representative on the Project Management Committee, and (ii) shall, from and after the Completion of Development through the remaining term of this Contract and without any further action on its part or by any other person, have an Entitlement Share with the same amount of Electric Power as its Development Share.

Section 4. The Project and the Initial Facilities. (a). The Project shall initially be known as the "Power County Power Project." The Project Management Committee may in its discretion adopt a different name for the Project at any time. In such event, all references to "Power County Power Project" in this Contract shall be changed to the name adopted by the Project Management Committee.

(b) The Project shall consist of the Initial Facilities and any Additional Facilities approved by the Project Management Committee. A preliminary and general description of the Initial Facilities prepared by UAMPS is attached as EXHIBIT I to this Contract. EXHIBIT I shall be reviewed, modified as deemed necessary and approved by the Project Management Committee promptly after the Effective Date.

(c) As the development of the Project proceeds and as the components of the Initial Facilities are designed, engineered, constructed, installed and tested, UAMPS shall from time to time recommend revisions to EXHIBIT I to the Project Management Committee for approval in order that the description therein reasonably corresponds to the Initial Facilities being developed and constructed. EXHIBIT I shall be updated as necessary in connection with the Completion of Development. Following the Commercial Operation Date, UAMPS shall prepare and submit to the Project Management Committee for its review and approval a completed EXHIBIT I that includes a final description of the Initial Facilities and the Project Capability. UAMPS and the Participant agree that in no event will any revisions to EXHIBIT I alter or affect their respective rights and obligations under this Contract.

Section 5. Project Management Committee. (a). The Participants hereby establish the Project Management Committee, which shall consist of one voting representative from each Participant (who shall be the Participant's Representative) and shall be chaired by a Participant's Representative elected by the Project Management Committee. Pursuant to the Contract Resolution, the Participant has delegated full and complete authority to its Participant's

¹ % amount will be inserted upon completion of credit review of Participant group.

Representative to act on all matters and decisions that come before the Project Management Committee. Each Representative appointed by the Participant shall serve on the Project Management Committee until the Participant appoints a successor. An Authorized Officer of UAMPS shall attend all meetings of the Project Management Committee and shall cause minutes to be kept of all such meetings.

(b) The Joint Action Agreement and the bylaws of UAMPS shall govern the procedures for and the voting rights on the Project Management Committee, *provided that*:

(1) The Participant's Representative of any Participant that is in default hereunder (A) shall not be entitled to vote on any matter during the period of such default, and the consent or approval of such Participant or such Participant's Representative shall not be required during the existence of such default and (B) shall be disregarded for purposes of determining whether a quorum of the Project Management Committee is present at any meeting;

(2) A Super-Majority vote of all Project Management Committee Representatives shall be required on all decisions which would result in the termination of the Project; and

(3) All decisions made by the Project Management Committee shall be made by resolution, order or other appropriate action of the Project Management Committee and, except in those instances when the Project Management Committee is acting pursuant to delegated authority from the Board, before such resolution, order or action of the Project Management Committee shall take effect, the same shall be ratified and approved by resolution, order or action of the Board, acting in accordance with the Joint Action Agreement and the bylaws of UAMPS.

The Participants acknowledge that the Joint Action Agreement provides, among other things, that decisions of the Board with respect to the Project shall be made only upon the recommendation of the Project Management Committee and that weighted votes may be called for on any recommendation or decision to be made by the Project Management Committee or the Board, respectively, all as more fully provided in the Joint Action Agreement.

(c) In addition to its other responsibilities under the Power Sales Contracts, the Project Management Committee shall:

(1) review, provide advice and recommendations to and consult with UAMPS regarding the Project,

(2) supervise, review and monitor the Development Work and the development of the Project in accordance with Section 6 and the other applicable provisions of the Power Sales Contracts and the resolutions of the Project Management Committee;

(3) review, provide advice and recommendations to UAMPS on, and approve the Project Agreements and any modifications or amendments thereto;

(4) supervise and provide direction to UAMPS during the construction of the Project, including approval of the construction budget for the Project and approval of all notices to proceed and notices to construct given by UAMPS under the EPC Agreement;

(5) review, approve and revise from time to time the Budget and Plan of Finance for the Initial Facilities and any Additional Facilities;

(6) review, approve and provide advice and direction to UAMPS with respect to the issuance of Bonds, Additional Bonds and Refunding Bonds

(7) review, provide advice and recommendations to and consult with UAMPS regarding the Commercial Operation Date of the Initial Facilities, and the Performance Tests for and the Substantial Completion and the Final Completion of the Facility under the EPC Agreement;

(8) determine and declare the Project Capability upon the Final Completion of the Project and from time to time thereafter as it deems necessary to reflect the actual capability of the Project;

(9) review and approve the Operating and Scheduling Procedures, any Operator of the Project and any Operating Agreement;

(10) review and consult with UAMPS regarding the acquisition and management of supplies of natural gas and any other necessary fuels for the Project and review and approve each Fuel Agreement and any Fuel Agent to be appointed by UAMPS;

(11) review, recommend and approve any Additional Facilities;

(12) assist with the resolution of any billing disputes as provided in Section 28;
and

(13) review, recommend and consult with UAMPS regarding any actions or remedies to be taken by UAMPS under Sections 34 and 35 of the Power Sales Contracts.

UAMPS and the Participant acknowledge and agree that the responsibilities of the Project Management Committee with respect to the Project are complete and comprehensive and are not limited to the specific responsibilities enumerated herein.

(d) The Project Management Committee may from time to time direct UAMPS to commission, obtain and provide such Engineering Studies and Reports that the Project Management Committee deems reasonably necessary or desirable with respect to the Project. The Project Management Committee shall be entitled to rely upon such Engineering Studies and Reports with respect to its determinations and decisions with respect to the Project, including particularly its determinations under Section 6.

Section 6. Development Period and Development Work. (a) During the Development Period, UAMPS shall use Commercially Reasonable Efforts to cause the Development Work to proceed in an expeditious and economical manner. UAMPS shall (i) report not less frequently than monthly to the Project Management Committee (unless otherwise approved by the Project Management Committee) with respect to the progress of the Development Work and the Development Costs incurred or expended, (ii) recommend from time to time revisions and updates to the Budget and Plan of Finance to the Project Management Committee, and (iii) act consistently with and in furtherance of the directions given to it by the Project Management Committee.

(b) Promptly after the Effective Date of the Power Sales Contracts, the Project Management Committee shall by resolution establish a maximum target price for cost of energy (\$/MWh) from the Project (the “*Target Price*”). The Target Price shall be the maximum cost of energy expected to be payable by the Participants under the Power Sales Contracts, and shall exclude only Transmission Costs, taking into account the information and assumptions utilized in the Development Work and the Budget and Plan of Finance. Such resolution shall establish such determination dates based on Project development milestones as the Project Management Committee deems necessary for determining whether the expected cost of energy from the Project exceeds the Target Price, together with such other matters as the Project Management Committee deems necessary or desirable. A determination by the Project Management Committee that the Target Price is exceeded as of any such determination date, shall constitute a determination by the Project Management Committee to terminate the Project.

(c) In addition to a determination under paragraph (b), the Project Management Committee may by a Super-Majority Vote suspend or terminate the Project at any time during Development Period upon its determination that the Project is not feasible for any reason. UAMPS shall give prompt written notice to all Participants of any such determination of the Project Management Committee under paragraph (b) above or this paragraph (c). In the event that the Project Management Committee determines to terminate the Project during Development Period, UAMPS shall proceed to wind up the Project and the Development Work, determine the remaining amount of the Development Costs and submit billings to the Participants for such Development Costs and the amount necessary to repay and retire any Bonds or obligations that have been issued or incurred to finance Development Costs.

(d) Upon substantial completion of the Development Work, including the Project Agreements and receipt of the Permits and Approvals (or an indication of the terms and conditions thereof), UAMPS will conduct a review and analysis and report to and consult with the Project Management Committee regarding the actions necessary to complete the Development Work, the terms and conditions of the Project Agreements and the Permits and Approvals and the definitive Budget and Plan of Finance, and will make recommendations to the Project Management Committee as to whether the Project should proceed to the Construction Period.

(e) Following its review of the report and recommendations of UAMPS, the Project Management Committee will in its discretion:

- (i) determine whether or when Completion of Development has occurred;

(ii) review and approve definitive engineering and feasibility studies for the Initial Facilities, and such other materials as it deems necessary in order to determine that construction and operation of the Initial Facilities is feasible and should proceed;

(iii) review and approve the definitive Budget and Plan of Finance for the Cost of Acquisition and Construction of the Initial Facilities;

(iv) make a determination by a Super-Majority Vote as to whether construction of the Project is feasible and whether the Project should proceed to the Construction Period;

(v) approve the Power Sales Contracts to be entered into with any new Participants any additional terms and conditions for their participation in the Project; and

(vi) review and approve the initial SCHEDULE I for the Project.

A determination by the Project Management Committee that construction of the Initial Facilities is not feasible and should not proceed to the Construction Period will result in termination of the Project; notwithstanding any such termination, this Contract shall remain in effect until the conditions described above and in Section 2(b) have been satisfied.

(f) Upon a determination by the Project Management Committee that construction of the Initial Facilities is feasible and the Project should proceed to the Construction Period, UAMPS will then execute the Project Agreements, the Construction Contracts for the Initial Facilities and finance the Cost of Acquisition and Construction of the Initial Facilities through the issuance of Bonds.

(g) UAMPS may from time to time recommend the acquisition or construction of Additional Facilities to improve or add to the Project. Any such Additional Facilities shall be approved by the Project Management Committee. UAMPS may issue Bonds or incur other obligations pursuant to the Financing Documents to finance all or a portion of the costs incurred in the Development Work and construction of the Additional Facilities.

Section 7. Joint Ownership Agreement. (a) UAMPS and the Participants acknowledge and agree that UMPA shall have the right to become an owner of an undivided percentage interest in the Initial Facilities as provided in the Study Costs Sharing Agreement.

(b) If UMPA elects to become the owner of an undivided interest in the Initial Facilities, UAMPS shall negotiate the terms and provisions of the Joint Ownership Agreement between UAMPS and UMPA and present the same to the Project Management Committee for its approval. Additional parties may become owners of undivided interests in the Initial Facilities upon the approval of the Project Management Committee.

Section 8. Construction Period. (a) The Construction Period shall commence upon the determination of the Project Management Committee that Completion of Development has occurred. During the Construction Period, UAMPS shall (i) cause the construction of the Project to proceed in an expeditious and economical manner pursuant to the Construction Agreements and

other Project Agreements, (ii) monitor the performance of the contractors under the Construction Agreements, and (iii) report to the Project Management Committee with respect to the progress of the acquisition and construction of the Project as provided herein.

(b) UAMPS shall perform its obligations under the Construction Agreements and shall:

(i) use Commercially Reasonable Efforts consistent with and subject to the terms and provisions of the Project Agreements to cause the Project to be expeditiously and economically acquired and constructed pursuant to the Construction Agreements;

(ii) diligently defend and protect the rights of UAMPS and the Project under the Construction Agreements and enforce the contractors' obligations thereunder;

(iii) monitor the performance of the contractors under the Construction Agreements and report promptly to the Project Management Committee with respect to any default or event of default under the Construction Agreements;

(iv) report not less frequently than monthly to the Project Management Committee (unless otherwise approved by the Project Management Committee) regarding the current status of construction and any changes to the estimated Commercial Operation Date and the estimated Cost of Acquisition and Construction; and

(v) give prompt notice to the Project Management Committee and the Participant of the occurrence of the Commercial Operation Date of the Initial Facilities and any Additional Facilities.

(c) As soon as practicable after the Commercial Operation Date of the Initial Facilities, UAMPS shall prepare a complete statement and reconciliation of the final (or substantially final) Cost of Acquisition and Construction of the Initial Facilities and submit the same to the Project Management Committee for its review and acceptance. In the event that a substantially final statement of the cost of construction of the Initial Facilities is submitted to and accepted by the Project Management Committee, UAMPS shall provide periodic reports to the Project Management Committee regarding the remaining items of the Cost of Acquisition and Construction of the Initial Facilities until a final statement is available for its review and approval.

Section 9. Operation and Maintenance of the Project. UAMPS covenants and agrees that, during the Operating Period, it will use Commercially Reasonable Efforts consistent with and subject to the terms and provisions of the Project Agreements to cause the Project to be operated, maintained and managed in an efficient and economical manner in accordance with Good Utility Practice for the joint and ratable benefit of all of the Participants. UAMPS agrees with and covenants to the Participant that UAMPS will vigorously enforce and defend its rights under the Project Agreements. The Participant acknowledges and agrees that UAMPS may, upon the approval of the Project Management Committee, from time to time enter into amendments of and supplements to any or all of the Project Agreements and that, except as otherwise required by Section 40, UAMPS will not be required to obtain the consent or approval of the Participant in connection with any such supplement or amendment.

Section 10. Scheduling of Electric Energy; Coordination with UAMPS Pool. (a) From and after the Commercial Operation Date of the Project, the Participant shall be entitled to use the Electric Energy allocable to the Participant's Entitlement Share. UAMPS shall schedule or cause to be scheduled such Electric Energy in accordance with the Operating and Scheduling Procedures approved by the Project Management Committee. UAMPS shall provide the Participant with notice of any amendment to or modification of the Operating and Scheduling Procedures.

(b) At any time the Project is operable or operating the Participant shall not be entitled to use in any hour Electric Energy in excess of that which is allocable to the Participant's Entitlement Share, unless arrangements have been made for a planned purchase of such Electric Energy through the UAMPS Pool. The Participant agrees that, prior to the first delivery of Electric Energy under this Power Sales Contract, it will execute and deliver to UAMPS an appendix to the Pooling Agreement (in a form approved by the Project Management Committee) that assigns the Electric Energy allocable to the Participant's Entitlement Share to the UAMPS Pool. Any surplus Electric Energy attributable to the Participant's Entitlement Share shall be sold or otherwise disposed of by the Participant only in accordance with the provisions of such appendix to the Pooling Agreement. In addition to any sales of surplus Electric Energy requested by the Participant through the UAMPS Pool, UAMPS will utilize Commercially Reasonable Efforts to sell, exchange or otherwise dispose of any incidental surplus Electric Power and Electric Energy attributable to the Project for the benefit of the Participants.

(c) Prior to the first delivery of Electric Energy under this Power Sales Contract, the Participant shall provide to UAMPS a written schedule of the Participant's available electric resources and the order in which such resources are to be applied to meet the Participant's requirements for Electric Power and Electric Energy. UAMPS shall verify all such resources and promptly notify the Participant of any rejection of such resources. The Participant may revise or modify such schedule upon written notice to UAMPS at least one business day prior to the beginning of any Billing Period.

Section 11. Point of Delivery; Risk of Loss. (a) The Electric Energy allocable to the Participant's Entitlement Share shall be delivered at the Point of Delivery. The Participant shall be responsible for, and shall pay all costs associated with, (i) the transmission of such Electric Energy from the Point of Delivery to its System Point of Receipt and (ii) the distribution and delivery of Electric Energy from its System Point of Receipt to its customers.

(b) Upon the request of the Participant, UAMPS will use Commercially Reasonable Efforts to enter into one or more Transmission Agreements, or will utilize its transmission rights under existing Transmission Agreements, to provide for transmission service for the Electric Energy allocable to the Participant's Entitlement Share from the Point of Delivery to the Participant's System Point of Receipt. Any future Transmission Agreements entered into by UAMPS for or on behalf of the Participant shall be approved by UAMPS and the Participant, and the Participant shall pay all Transmission Costs thereunder. The Participant agrees that it shall maintain (or cause UAMPS to maintain) during the term of this Contract, such Transmission Agreements as shall be necessary for the firm transmission of the Electric Energy allocable to its Entitlement Share from the Point of Delivery to its System Point of Receipt, except as may be otherwise approved by the Project Management Committee. The Participant shall provide

UAMPS with copies of all Transmission Agreements utilized by it and with such other information regarding its transmission arrangements as UAMPS may reasonably request.

(c) From and after the Commercial Operation Date of the Project, the Participant shall be obligated to maintain an appropriate power factor at the Participant's System Point of Receipt consistent with the provisions of the Transmission Agreements. Should the power factor, as metered at such System Point of Receipt, not be maintained within the limits established under the Transmission Agreements, the Participant shall be notified and requested to correct such power factor. If the Participant has not begun corrective action at the end of 90 days, UAMPS may take corrective action and the Participant shall be obligated to reimburse or compensate UAMPS for all sums expended and all services contracted for or performed by UAMPS or for which UAMPS shall be obligated relating to such corrective action.

(d) Electric Energy delivered hereunder and risk of loss shall pass from UAMPS to the Participant at the Point of Delivery. As between the parties to this Contract, UAMPS shall be deemed to be in exclusive control and possession of the Electric Energy delivered hereunder, and responsible for any damage or injury caused thereby, prior to the time such Electric Energy shall have been delivered to the Participant at the Point of Delivery. After delivery of Electric Energy to the Participant at the Point of Delivery, the Participant shall be deemed to be in exclusive control and possession thereof and responsible for any injury or damage caused thereby. UAMPS assumes all liability for and shall indemnify, defend and hold harmless the Participant (individually) from any claims, including death of persons, arising from any act or incident occurring when title to Electric Energy is vested in it. All costs and expenses incurred by UAMPS under the foregoing indemnity shall constitute a Cost of Acquisition and Construction or an item of Operation and Maintenance Costs, as determined by the Project Management Committee. To the extent permitted by law and solely to the extent of the revenues of its Electric System and any available insurance proceeds, the Participant assumes all liability for and shall indemnify, defend and hold harmless UAMPS and the other Participants from any claims, including death of persons, arising from any act or incident occurring when title to Electric Energy is vested in it.

Section 12. Interruption or Reduction of Deliveries. UAMPS may interrupt or reduce deliveries under this Power Sales Contract of Electric Energy if: (a) the Operator has determined that such interruption or reduction is necessary in case of emergencies affecting the Project, in order to install equipment, to make repairs and replacements to, to make investigations and inspections of, or to perform maintenance work on, the Project or otherwise carry out its obligations as Operator under the Operating Agreement; (b) Electric Energy from the Project is otherwise unavailable whether due to an event of Uncontrollable Force or otherwise; or (c) the transmission of Electric Energy from the Project is interrupted or curtailed by the balancing area authority or other transmitting utility. In order that the operation of the Participant's Electric System will not be unreasonably interrupted or interfered with, UAMPS will, to the extent necessary, use Commercially Reasonable Efforts to make arrangements to serve the Participant's load through other projects of UAMPS or the UAMPS Pool. UAMPS will also use Commercially Reasonable Efforts, consistent with the provisions of the Project Agreements and the other Power Sales Contracts, to arrange for any planned interruption or reduction in the Project Output to be scheduled at a time which will cause the least interference with the operation of the Participant's Electric System.

Section 13. Availability of Electric Energy. (a) Except as provided otherwise by this Power Sales Contract and subject to the provisions of the Project Agreements, Electric Energy allocable to the Participant's Entitlement Share shall be made available in accordance with this Power Sales Contract during the term hereof; *provided, however*, that nondelivery of Electric Energy hereunder for any reason whatsoever (1) shall not relieve the Participant from its obligation to make its payments under Section 27 and (2) shall not impose any liability upon UAMPS for any direct or consequential damages suffered by the Participant.

(b) The Participant acknowledges and agrees that deliveries of the Electric Energy allocable to its Entitlement Share are not firm and are contingent upon the operation of the Project, the availability of transmission and other factors. The Participant agrees that it is solely responsible for any firming transactions with respect to its Entitlement Share.

Section 14. Insurance. UAMPS shall maintain, or during the Construction Period shall cause the EPC Contractor to maintain, in force, as part of the Cost of Acquisition and Construction or Operation and Maintenance Costs, as appropriate, insurance with responsible insurers with policies against risk or direct physical loss, damage or destruction of the Project, including liability insurance and employers' liability insurance, all to the extent consistent with Good Utility Practice and to the extent available at reasonable cost, but in no case less than will satisfy applicable regulatory requirements and requirements of the Financing Documents.

Section 15. Budget and Plan of Finance. (a) The Budget and Plan of Finance for the Initial Facilities shall include the following information:

(i) the amount of Development Costs incurred to the date of the Budget and Plan of Finance and the estimated total Development Costs to the Completion of Development;

(ii) the estimated Cost of Acquisition and Construction;

(iii) the estimated timeline for the development and construction of the Initial Facilities to the Commercial Operation Date;

(iv) the estimated levelized cost of energy (\$/MWh) for Project Output sold to the Participants under the Power Sales Contracts (which may be a range of such costs);

(v) the proposed funding and financing arrangements for all Development Costs during the Development Period; including Bonds and other funding and financing arrangements; and

(vi) such other information as may be required to be included in the Budget and Plan of Finance by the Project Management Committee.

(b) UAMPS and the Participant acknowledge and agree that as of the Effective Date, (i) UAMPS has not obtained the Permits and Approvals necessary for the construction and operation of the Project, (ii) the overall development of the Project is at a preliminary stage, and (iii) a

definitive estimate of the Cost of Acquisition and Construction will not be available until the Completion of Development. Accordingly, the parties acknowledge and agree that the information contained in the initial Budget and Plan of Finance is necessarily preliminary and is subject to change based on, among other things, additional information that becomes available to UAMPS during the Development Period, the negotiation of the terms and provisions of the Project Agreements, the terms and conditions of the Permits and Approvals, and the development and negotiation of funding sources and financing arrangements for Development Costs and the Cost of Acquisition and Construction.

(c) The Budget and Plan of Finance shall be updated by UAMPS from time to time during the Development Period as necessary. Each update of the Budget and Plan of Finance shall be subject to the approval of the Project Management Committee.

Section 16. Financing of the Project. (a) UAMPS shall finance the portion of the Cost of Acquisition and Construction of the Initial Facilities that is not paid from Capital Contributions made by the Participants through the issuance of one or more series of Bonds pursuant to the Budget and Plan of Finance approved by the Project Management Committee.

(b) Unless otherwise approved by the Project Management Committee, the Budget and Plan of Finance shall provide for the financing of all Development Costs, Construction Costs and other Costs of the Initial Facilities to a date not earlier than the estimated Commercial Operation Date of the Initial Facilities with the objective that the Participant will not be required to make any payments to UAMPS in respect of Debt Service Costs until a date that is after the estimated Commercial Operation Date. UAMPS shall use Commercially Reasonable Efforts to structure and implement the financings for the Development Costs and Construction Costs of the Initial Facilities to achieve this result. The Participant acknowledges and agrees that UAMPS cannot guarantee that it will be able to achieve this result, and under certain circumstances it may be necessary for UAMPS to submit billings to the Participant pursuant to Section 26 to enable it to pay Development Costs.

(c) UAMPS and the Participant acknowledge and agree that:

(i) as of the Effective Date, (A) UAMPS has not obtained the Permits and Approvals necessary for the construction and operation of the Project, and (B) the overall development of the Project is at a preliminary stage;

(ii) UAMPS shall use Commercially Reasonable Efforts to obtain all such Permits and Approvals as a part of the Development Work during the Development Period;

(iii) the Development Costs incurred by UAMPS will be financed by the issuance of Bonds;

(iv) in the event that UAMPS is unable to obtain transmission service for Project Output on reasonable terms, is unable to obtain the required Permits and Approvals for the construction and operation of the Project or the Project Management Committee determines that the continued development of the Project is not feasible for any reason, the

Project Management Committee may determine to terminate the Project as provided herein; and

(v) if the Project Management Committee determines to terminate the Project during the Development Period, the Project will not be completed and the Participant will be required to pay, among other things, its Development Cost Share of all Development Costs incurred and its Development Cost Share of Debt Service Costs until all Bonds previously issued are fully paid and retired, as provided in Section 6.

(d) Each Participant may elect to make a Capital Contribution to UAMPS pursuant to Section 17. Prior to the giving by UAMPS of the notice required by Section 17(a), the Project Management Committee shall determine whether any additional interest expense on or in respect of any Bonds that are subject to federal income taxation shall be allocated to those Participants whose legal status or use of Project Output requires the issuance of such Bonds. In the event the Project Management Committee determines to make such allocation, the notice required by Section 17(a) shall include such information as shall be necessary to generally inform the affected Participants of the additional Debt Service Costs that may be payable by them in the event they elect not to make a Capital Contribution.

Section 17. Capital Contributions. (a) Prior to the first issuance of long-term Bonds to finance the Cost of Acquisition and Construction of the Initial Facilities, UAMPS shall give written notice to the Participant of:

- (i) its right to elect to make a Capital Contribution;
- (ii) the date by which it must notify UAMPS of its election, which shall be not earlier than 30 days after the date of such notice;
- (iii) the applicable Reference Project Costs; and
- (iv) the maximum amount of the Participant's Capital Contribution, which shall be an amount equal to the product of (A) such Reference Project Costs and (B) the ratio of the Entitlement Share of the Participant to the Entitlement Shares of all Participants.

The Participant may elect to make a Capital Contribution only from the retained earnings of its Electric System or other legally available funds not derived from any external borrowing.

(b) The Participant's election to make a Capital Contribution shall be made by written resolution adopted by its governing body. An original or certified copy of such resolution shall be submitted to UAMPS with the Participant's notice of its election to make the Capital Contribution. In the event that the Participant does not notify UAMPS of the determination of its governing body by the date specified in the notice provided by UAMPS, the Participant shall be deemed to have elected not to make a Capital Contribution.

(c) Following receipt of the Participant's election to make the Capital Contribution, UAMPS will provide the Participant with notice of:

- (i) the date (which shall be not earlier than 30 days after the date of such notice) by which the Participant must make the Capital Contribution;
- (ii) instructions for the deposit of the Capital Contribution into a separate and segregated special escrow account established under the Financing Documents; and
- (iii) a written statement of information regarding UAMPS, the Project and the Project Agreements for the Participant's use in any offering material for any indebtedness to be issued to finance the Capital Contribution.

The Capital Contribution shall be held and invested in accordance with the provisions of the Financing Documents, which shall provide for the investment of the Capital Contribution, the crediting of any interest earnings for the account of the Participant and the application of the Capital Contribution by the Trustee upon the direction of UAMPS to fund a portion of the Cost of Acquisition and Construction of the Initial Facilities, and for deposit into certain funds and accounts established by the Financing Documents. If the Participant fails to make the Capital Contribution as and when required by the UAMPS' notice, it shall be deemed to have rescinded its election to make the Capital Contribution.

(d) The Participant acknowledges and agrees that the amount of the Capital Contribution to be made by the Participant will be based upon an estimate of the Cost of Acquisition and Construction of the Initial Facilities, which estimates will be subject to adjustment to reflect the final Cost of Acquisition and Construction of the Initial Facilities approved by the Project Management Committee. Not more than 30 days following the determination of the final Cost of Acquisition and Construction of the Initial Facilities, UAMPS shall deliver a final accounting statement to the Participant showing the Cost of Acquisition and Construction, the amount of and interest earnings on the Capital Contribution and any amounts payable by or credited to the Participant in respect of the final Cost of Acquisition and Construction. The Participant agrees that it will pay any additional amount payable by it shown on such accounting statement on or before the 30th day following the date of such final accounting statement, or on such later date as may be approved by the Project Management Committee.

(e) After Capital Contributions have been made by all electing Participants, UAMPS shall complete (or revise, as applicable) SCHEDULE I and provide a copy of the completed or revised SCHEDULE I to each of the Participants. With respect to all Participants and at all times, SCHEDULE I shall show that:

- (i) the sum of each Participant's Capital Contribution Percentage and Debt Service Percentage equals its Entitlement Share;
- (ii) the sum of the Capital Contribution Percentages and Debt Service Percentages of all Participants equals 100%; and
- (iii) the sum of the Debt Service Shares of all Participants equals 100%.

UAMPS' calculation and determination of the Development Costs and the Cost of Acquisition and Construction of the Initial Facilities and the Participant's Capital Contribution Percentage, Debt Service Percentage and Debt Service Share in accordance with (i), (ii) and (iii) above shall be subject to the approval of the Project Management Committee, and upon such approval shall be conclusive and binding upon UAMPS and the Participant. UAMPS shall revise SCHEDULE I from time to time as provided herein so that it sets forth the correct Entitlement Shares, Capital Contribution Percentages, Debt Service Percentages and Debt Service Shares of all Participants.

(f) The Participant acknowledges and agrees with UAMPS that:

(i) its election to make a Capital Contribution shall be irrevocable and under no circumstances whatsoever shall the Participant be entitled to a return or rebate of all or any portion of any Capital Contribution in the event that Uncontrollable Force, termination of any Project Agreements or other circumstances result in the suspension, interruption, interference, reduction, curtailment or termination of the Project or the Project Output;

(ii) the Capital Contribution shall not be deemed to constitute an investment by the Participant and the Participant shall not be entitled to any investment earnings or rate of return on the Capital Contribution, except with respect to interest earnings on the Capital Contribution pending its application as provided above; and

(iii) any Capital Contribution made by the Participant shall not change or affect UAMPS' ownership in the Project or any of the rights and obligations of UAMPS and the Participant under this Contract, except as specifically provided herein, including the right of UAMPS to suspend or terminate the Participant's right to receive the Electric Energy allocable to its Entitlement Share as provided in Section 34.

(g) In connection with the issuance of Additional Bonds or Refunding Bonds, the Project Management Committee may determine to provide Participants with the option of making a capital contribution with respect to the Costs of the Project being financed or refinanced by the Additional Bonds or Refunding Bonds under procedures and standards substantially similar to those set forth in this Section, with such adjustments as the Project Management Committee shall determine to be advisable. Any capital contribution made by a Participant pursuant to this paragraph (g) shall constitute a Capital Contribution for all purposes of the Power Sales Contracts.

Section 18. Additional Bonds and Refunding Bonds. (a) Additional Bonds may be sold and issued by UAMPS in accordance with the provisions of the Financing Documents at any time and from time to time for the purpose of financing the Cost of Acquisition and Construction. UAMPS may incur other obligations pursuant to the Financing Documents to achieve purposes deemed beneficial to the Project.

(b) Any Additional Bonds shall be secured by the pledge made pursuant to the Financing Documents of the payments required to be made by the Participant under Section 27, as such payments may be increased and extended by reason of the issuance of Additional Bonds, and of other revenues of UAMPS attributable to the Project. Additional Bonds may be issued in amounts sufficient to pay the full amount of such costs and to provide such reserves as may be determined

by UAMPS to be reasonably necessary. In the event that the Project Management Committee approves the issuance of Additional Bonds, it shall determine whether to make a capital contribution option available to the Participants and the procedures therefore.

(c) In the event Debt Service Costs may be reduced by the refunding of any Bonds then outstanding or in the event it shall otherwise be advantageous, in the opinion of UAMPS, to refund any Bonds, UAMPS may issue and sell Refunding Bonds in accordance with the Financing Documents.

Section 19. Pledge of Payments. All payments required to be made by the Participant pursuant to Section 27, together with other revenues of UAMPS attributable to the Project may be pledged by UAMPS pursuant to the Financing Documents to secure the payment of Bonds and any Additional Bonds or Refunding Bonds.

Section 20. Reserve and Contingency Fund. (a) In addition to various funds and accounts established under the Financing Documents, UAMPS may, upon the approval of the Project Management Committee, establish an additional fund with respect to the Project known as the "Reserve and Contingency Fund" to be funded, held and applied as provided herein. Amounts on deposit in the Reserve and Contingency Fund may be used to pay or provide reserves for unusual or extraordinary Operation and Maintenance Costs, renewals, repairs, replacements, additions or betterments of or to any items included in the Project, the cost of any Additional Facilities or the cost of or reserves for the retirement, decommissioning and termination of the Initial Facilities and any Additional Facilities that will not be paid from the Decommissioning Fund.

(b) The Project Management Committee may direct UAMPS to include in the Annual Budget adopted pursuant to Section 24 an amount for deposit into the Reserve and Contingency Fund. This amount may represent either an appropriation of excess revenues from the operation of the Project during the preceding Fiscal Year or amounts to be billed to and collected from the Participants as an item of Operation and Maintenance Costs during the Fiscal Year covered by the Annual Budget.

Section 21. Damage, Destruction or Condemnation. Subject to the provisions of the Project Agreements, UAMPS shall use Commercially Reasonable Efforts to collect or cause to be collected amounts arising from insurance proceeds, condemnation awards, damages due from contractors, subcontractors or others and proceeds from the sale or other disposition of surplus property, all related to the Project, and shall apply all receipts, revenues and other moneys received by it or credited to it from the foregoing sources to the repair, reconstruction or replacement of the Project, to the retirement or defeasance of Bonds (in whole or in part), by purchase, redemption or other arrangements therefor, to the payment of other costs and expenses of UAMPS in connection with the Project or to the credit, pro rata, of the Participants, based upon their Entitlement Shares in the Project, all as provided in the Financing Documents.

Section 22. Decommissioning. Upon the retirement of the Project and its removal from service, UAMPS shall take all actions necessary to Decommission the Project. The Decommissioning Fund shall be established as a separate and segregated trust fund or escrow account, and the amounts in the Decommissioning Fund shall be used solely for the payment of

Decommissioning Costs and necessary administrative and other charges. The Decommissioning Fund may be funded by a prepayment, by sinking fund deposits or by another method approved by the Project Management Committee. Pending the application of amounts on deposit in the Decommissioning Fund to pay Decommissioning Costs, the Decommissioning Fund may be invested as provided in the trust or escrow agreement. Any amounts remaining in the Decommissioning Fund upon the completion of the Decommissioning of the Project shall be applied or disbursed at the direction of the Project Management Committee.

(b) The Project Management Committee may direct UAMPS to establish other funds or accounts to provide additional reserves for the payment of Decommissioning Costs.

Section 23. Disposition or Termination of the Project. (a) Except as otherwise provided in the Power Sales Contracts, UAMPS shall not sell, lease or otherwise dispose of the Project or any substantial part of the Project without the approval of the Project Management Committee by a Super-Majority Vote. Subject to the provisions of the Financing Documents and the Project Agreements, this Section shall not prohibit a merger or consolidation or sale of all or substantially all of the property of UAMPS.

(b) Subject to the applicable provisions of the Project Agreements, if the Project shall be terminated, UAMPS shall use Commercially Reasonable Efforts to cause the Project to be economically salvaged, discontinued, disposed of or sold in whole or in part. UAMPS shall make accounting statements for each Billing Period to the Participant of all costs and any net proceeds associated therewith. Such accounting statements shall continue for such Billing Periods until the Project has been salvaged, discontinued or finally disposed of, at which time a final accounting statement with respect thereto shall be made by UAMPS at the earliest reasonable time. The costs of salvage, discontinuance or disposition shall include, but shall not be limited to, all accrued costs and liabilities resulting from the acquisition, construction, operation or maintenance of and renewals and replacements to the Project. Such costs and, subject to the provisions of the Financing Documents, the net proceeds, if any, from the sale or salvage of Project components or assets shall be allocated among the Participants based upon their respective Entitlement Shares.

Section 24. Annual Budget; Accounting. (a) On or before 15 days prior to the estimated commencement of the first Contract Year and on or before the beginning of each Contract Year thereafter, UAMPS shall prepare and mail to the Participant an Annual Budget for the Project recommended by the Project Management Committee and approved by the Board, based, to the extent appropriate, on budgets received under the Project Agreements, showing an annual estimate of Operation and Maintenance Costs, Transmission Costs and Debt Service Costs, and the Participant's share of each, for the following Contract Year. The Participant shall, to the extent and in the manner deemed appropriate by the Participant, incorporate the estimates shown on the Annual Budget in its annual budgetary process for the Participant's Enterprise Fund.

(a) At the end of each quarter during each Contract Year and at such other times as it shall deem desirable, UAMPS shall review the Annual Budget of Operation and Maintenance Costs, Transmission Costs and Debt Service Costs for the Contract Year. In the event such review indicates that the Annual Budget does not or will not substantially correspond with actual receipts or expenditures, or if at any time during such Contract Year there are or are expected to be

extraordinary receipts, credits or expenditures of costs substantially affecting Operation and Maintenance Costs, Transmission Costs and Debt Service Costs, UAMPS shall prepare and provide to the Participant's Representative a revised Annual Budget, recommended by the Project Management Committee and approved by the Board, incorporating adjustments to reflect such receipts, credits or expenditures which shall thereupon supersede the previous Annual Budget. The revised Annual Budget and any written materials that accompany it shall specifically identify the changes from the Annual Budget that was previously in effect.

(b) UAMPS agrees that it will, from and after the date of the acquisition by UAMPS of the Project, keep accurate records and accounts relating to the Project, the Cost of Acquisition and Construction, Reference Project Costs, Operation and Maintenance Costs, Transmission Costs and Debt Service Costs in accordance with the Financing Documents and which are generally consistent with the Uniform System of Accounts, separate and distinct from its other records and accounts; *provided* that UAMPS may establish revenue and operation and maintenance funds that account for more than one project of UAMPS so long as UAMPS shall maintain books and records adequate to show the amounts in each of such funds allocable to each such Project. Said accounts shall be audited annually by a firm of certified public accountants, experienced in public finance and electric utility accounting and of national reputation, to be employed by UAMPS. A copy of each annual audit, including all written comments and recommendations of such accountants, approved by the Members shall be furnished by UAMPS to the Participant not later than 180 days after the end of each Contract Year.

Section 25. Billing Periods. (a) The initial Billing Period to be used for the preparation, calculation and billing of the amounts payable by the Participant hereunder shall be a Month. In order to promote the efficient and economic administration of the Project, UAMPS may, at any time after the end of the initial Contract Year and from time to time thereafter, adopt another standard period of time as the Billing Period hereunder. In addition to the foregoing, UAMPS may, upon the approval of the Project Management Committee, from time to time revise the billing and payment procedures provided for in this Section to promote the efficient and economic administration of the Project or to conform such billing procedures to those utilized in connection with other projects of UAMPS.

(b) Any change in the Billing Period shall be made in the Annual Budget provided for in Section 24 and shall not be effective for at least 30 days after the mailing of notice of such change in the Billing Period or in the billing and payment procedures to the Participant. At the time of the mailing of such Annual Budget, UAMPS shall send to the Participant a revised form of the billing procedures set forth in Section 26(b), which shall reflect any changes in the dates of billing and payment and the method thereof that are necessary or desirable to make this Section correspond to the new Billing Period, such changes to become effective on the date the new Billing Period takes effect. In no event shall any such change in the Billing Period or in the billing and payment procedures increase the amounts payable by the Participant pursuant to this Section in respect of Operation and Maintenance Costs, Transmission Costs and Debt Service Costs.

Section 26. Billings. (a) The Participant acknowledges and agrees that it is necessary for UAMPS to recover all of the costs and expenses associated with the Project through billings to and payments by the Participants under the Power Sales Contracts. UAMPS will exercise

Commercially Reasonable Efforts to finance all Development Costs during the Development Period. In the event that Development Costs are not refinanced by the issuance of long-term Bonds, the Participant shall pay its Development Cost Share of the amount necessary to repay the financed Development Costs. UAMPS will exercise Commercially Reasonable Efforts to finance all Construction Costs, net of any Capital Contributions, with the proceeds of Bonds issued at the beginning of the Construction Period. The Participant's share of Operation and Maintenance Costs and Debt Service Costs will equal its Entitlement Share (expressed as a percentage of all Entitlement Shares), subject to the adjustments provided for in the Power Sales Contracts.

(b) For so long as the Billing Period is a Month, on or before the 25th day after the end of each Billing Period beginning with the first Billing Period in the first Contract Year, UAMPS shall render to the Participant a billing statement showing the amount payable by the Participant for such Billing Period in respect of: (i) Development Costs, (ii) Operation and Maintenance Costs; (iii) Transmission Costs; (iv) Debt Service Costs; and (v) any other amounts, adjustments or reconciliations payable by or credited to the Participant pursuant to this Contract or the Financing Documents and not otherwise shown. The Participant shall pay the total of such amounts at the time specified in Section 27, as the same may be revised from time to time. The billing statement for each Billing Period shall be based, to the fullest extent practicable, upon the actual operation of the Project during such Billing Period. To the extent that any billing statement rendered by UAMPS shall have included any estimated amounts in respect of the Participant's share of Operation and Maintenance Costs, Debt Service Costs or the Transmission Costs or other costs allocable to the Participant, such estimated amounts shall be reconciled at least once during each Contract Year with the actual operation and scheduling of the Project and the Participant shall receive a bill or credit, as applicable, to reflect such reconciliations pursuant to clause (v) of this paragraph.

(c) Debt Service Costs, including any adjustments thereto, shall be determined by UAMPS in accordance with the Financing Documents. Operation and Maintenance Costs, including any adjustments thereto, shall be determined by UAMPS in accordance with the applicable provisions of the Power Sales Contracts and the Project Agreements. UAMPS and the Participant acknowledge and agree that certain categories of costs may be financed as a Cost of Acquisition and Construction (and paid by the Participant as Debt Service Costs or through Capital Contributions) or paid by the Participant as Operation and Maintenance Costs, as determined by the Project Management Committee, but without duplication of any item of cost. Transmission Costs, including any adjustments thereto, shall be determined by UAMPS in accordance with the applicable provisions of this Contract and the Transmission Agreements. The Participant shall pay all such amounts pursuant to Section 27.

(d) In the event that the failure of a Participant to make its payments in accordance with its Power Sales Contract shall have resulted in the application of amounts in any reserve or working capital funds for the Project, any amounts thereafter paid to UAMPS, including delayed-payment and interest charges, by such defaulting Participant in respect of past due payments (i) shall be used to replenish such fund or (ii) to the extent that the other Participants shall have made up the deficiency created by such application or paid additional amounts into any such funds, shall be credited, pro rata, on the billing statements of such other Participants in the next Billing Period or Billing Periods as shall be appropriate.

Section 27. Participant's Payment Obligations. (a) Payments required to be paid by the Participant to UAMPS shall be due and payable to UAMPS at its principal office or by wire transfer to such account as UAMPS shall designate in writing to the Participant, on the 10th day of the Month following the Month in which the billing statement was rendered or at such other time as may be established by UAMPS pursuant to Section 25.

(b) If payment in full is not made by the Participant on or before the close of business on the due date, UAMPS shall impose a delayed payment charge on the unpaid amount due for each day overdue at a rate equal to the lesser of one percent per month, compounded monthly, or the maximum rate lawfully payable by the Participant; provided, however, that UAMPS, acting upon the direction of the Project Management Committee, may elect to waive such delayed payment charge (or portion thereof) but only to the extent that any such waiver will not adversely affect the ability of UAMPS to meet its payment obligations under the Project Agreements or the Financing Documents or materially increase the amounts payable by the other Participants. If said due date is not a business day, payment shall be made on the next following business day.

(c) The obligation of the Participant to make the payments for Development Costs, Operation and Maintenance Costs, Transmission Costs, Debt Service Costs and other amounts payable by the Participant pursuant to Section 26 is a several obligation and not a joint obligation with those of any other Participant. Prior to the Commercial Operation Date, the obligation of the Participant to make such payments shall constitute a cost of the development of a new power supply resource. From and after the Commercial Operation Date, the obligation of the Participant to make such payments shall constitute a cost of purchased electric power and electric energy. In all cases, the obligation of the Participant to make the payments required by Section 26 shall be payable as an operating expense and solely from the revenues and other legally available funds of its Electric System. In no event shall the Participant be obligated or required to levy or collect ad valorem property taxes or assessments to meet its payment obligations under this Contract. Such payments shall be made whether or not the Project or any portion thereof is acquired, completed, operable, operating, suspended or terminated, and notwithstanding the damage or destruction of the Project, the suspension, interruption, interference, reduction or curtailment of the Project Output, termination of any of the Project Agreements, loss or interruption of transmission from the Point of Delivery or termination of any Transmission Agreement, for any reason whatsoever, in whole or in part. The obligations of the Participant to make such payments shall not be subject to any reduction, whether by offset, counterclaim, or otherwise, and shall not be conditioned upon the performance by UAMPS under this or any other agreement or instrument.

(d) The payment obligations of the Participant under this Contract are special obligations payable solely from the revenues and other available income of its Electric System and do not, and shall not be deemed to, constitute an indebtedness or liability of the Participant under any constitutional, statutory or other legal limitation or requirement.

Section 28. Disputed Billings. In the event of any dispute as to any portion of the billing statement for such Billing Period, the Participant shall nevertheless pay the full amount of the disputed charges when due and shall give written notice of the dispute to UAMPS not later than the 60th day after such billing statement was submitted. Such notice shall identify the disputed billing statement, state the amount in dispute and set forth a full statement of the grounds for such

dispute. No adjustment shall be considered or made for disputed charges unless such notice is given by the Participant. UAMPS shall give consideration to, and shall consult with the Project Management Committee with respect to, such dispute and shall advise the Participant with regard to its position relative thereto within thirty (30) days following receipt of such written notice. Upon final determination (whether by agreement or determination by the Project Management Committee) of the correct amount, any difference between such correct amount and such full amount shall be accounted for in the billing statement next submitted to the Participant after such determination. For the avoidance of doubt, any overpayment or underpayment determined pursuant to Section 26(b) shall not be considered to be a disputed payment that is subject to this Section.

Section 29. Audit Rights. (a) At its cost, the Participant may, upon the giving of not less than 15 days' prior written notice to UAMPS, but not more often than once during any two-year period, inspect and audit the books and records of UAMPS relating to the Project for the purpose of verifying the amounts payable by the Participant under this Contract within the three-year period preceding the commencement of the audit. UAMPS agrees to make available to the Participant, to the extent Commercially Reasonable, all relevant records and all requested information relating to the subject matter of any such audit, subject in all cases to any confidentiality restrictions applicable to third-party information or contracts; provided that UAMPS shall make Commercially Reasonable Efforts to obtain a waiver of such restrictions for purposes of the audit and the Participant shall execute such non-disclosure agreements as may be reasonably requested by UAMPS. Any audit shall be conducted during normal business hours, and the Participant will use Commercially Reasonable Efforts to complete any audit within one month, subject to the availability of relevant records and information and the absence of material accounting irregularities.

(b) If any audit discloses that an overpayment or underpayment has been made during the three-year period described above, the amount of the overpayment or underpayment will be promptly paid by the appropriate party, together with interest calculated at an annual rate equal to the Secured Overnight Funding Rate (SOFR) reported on the website of the Federal Reserve Bank of New York, or reported by any successor to the Federal Reserve Bank of New York as administrator of SOFR, plus 100 basis points, compounded daily and on the basis of a 360-day year, from the date or dates of any such overpayment or underpayment through and including the date of the payment correcting the overpayment or underpayment. Any payment made by UAMPS pursuant to this Section shall constitute an item of Operation and Maintenance Costs.

Section 30. Representations and Warranties. (a) The Participant represents and warrants to UAMPS as follows:

(i) the Participant is a political subdivision, duly created and validly existing under the laws of the State of Utah, and has all corporate power and authority necessary to enter into and perform its obligations under this Contract;

(ii) this Contract has been duly authorized, executed and delivered by the Participant and constitutes its legal, valid and binding obligation enforceable in accordance with its terms;

(iii) the execution, delivery and performance by the Participant of this Contract does not and will not (A) conflict with any constitutional, statutory or regulatory provision, judgment, decree or order applicable to the Participant and (B) constitute a breach of or a default under any bond ordinance, resolution or indenture or any contract or agreement to which the Participant is a party or to which any of the property, assets or revenues of its Electric System is subject;

(iv) all Required Approvals have been obtained;

(v) to the Participant's knowledge, there is no pending or threatened action or proceeding affecting the Participant which purports to affect the authorization, legality, validity or enforceability of this Contract, the Joint Action Agreement or the Pooling Agreement; and

(vi) prior to and in connection with its approval and execution of this Contract, the Participant conducted its own review of the descriptions, information and studies regarding the Project, the Project Agreement and this Contract provided by UAMPS and made an independent determination to enter into this Contract.

(b) UAMPS represents and warrants to the Participant as follows:

(i) UAMPS is a political subdivision of the State of Utah and an energy services interlocal entity, duly created and validly existing under the Act and the Joint Action Agreement;

(ii) UAMPS has all corporate power and authority necessary to enter into and perform its obligations under this Contract;

(iii) This Contract has been duly approved by the Project Management Committee and the Board and has been duly authorized, executed and delivered by UAMPS and constitutes its legal, valid and binding obligation enforceable in accordance with its terms;

(iv) the execution, delivery and performance by UAMPS of this Contract does not and will not (A) conflict with any constitutional, statutory or regulatory provision, judgment, decree or order applicable to UAMPS and (B) constitute a breach of or a default under any bond ordinance, resolution or indenture or any contract or agreement to which UAMPS is a party or to which any of its property, assets or revenues is subject;

(v) to UAMPS' knowledge, there is no pending or threatened action or proceeding affecting UAMPS which purports to affect the authorization, legality, validity or enforceability of this Contract, the Joint Action Agreement or the Pooling Agreement; and

(vi) the descriptions, information and studies regarding the Project, the Project Agreements and this Contract provided to the Participant by UAMPS have been prepared

in good faith based upon the facts and information known to UAMPS at the time, and UAMPS has no reason to believe that such descriptions, information and studies taken as a whole are incorrect or misleading in any material respect.

Section 31. Information to Be Made Available. (a) From and after the effective date of the Power Sales Contracts and subject to their availability under the applicable provisions of the Project Agreements, UAMPS shall make available for examination by the Participant:

- (1) all books of accounts, records, documentation and contracts in the possession of UAMPS relating to the operation of the Project;
- (2) copies of all agreements and data in the possession of UAMPS relating to the financing of the Project;
- (3) copies of all operating and financial records and reports relating to the Project in the possession of UAMPS;
- (4) copies of policies of insurance carried pursuant to Section 14; and
- (5) such other information and documents with respect to the Project as the Participant may reasonably request from time to time.

(b) UAMPS may from time to time provide information to the Participant or the Participant's Representative that it designates as "non-public, "commercially sensitive," "confidential" or with similar words indicating that public disclosure of such information should not be made and can be expected to cause harm to UAMPS and the Participants. The Participant and the Participant's Representative agree to (i) classify any information as "non-public," "protected" or with such similar words as may be used under all public records laws that may apply to the Participant, (ii) notify UAMPS of any request or demand for disclosure of such information and (iii) cooperate with UAMPS in contesting any such disclosure request or demand.

(c) The Participant acknowledges that the ability of UAMPS to sell the Bonds depends upon, among other things, the credit standing of the Participants and their Electric Systems and that it will be necessary for UAMPS to provide certain information with respect to the Participants and their Electric Systems in connection with the sale of the Bonds (whether or not the Participant is making a Capital Contribution). Consequently, the Participant covenants to and agrees with UAMPS that the Participant will, upon request, provide to UAMPS all information with respect to the Participant and its Electric System, including financial and operating information and all contracts, documents, reports, bond resolutions and indentures, as may be requested by UAMPS or its counsel in connection with the financing of the Project and the issuance of the Bonds.

(d) The Participant covenants to and agrees with UAMPS that the Participant will furnish to UAMPS (1) not later than 180 days after the end of each fiscal year of the Participant, (A) a copy of the most recent annual financial statements of the Participant and its Enterprise Fund, audited by an independent certified public accountant or firm of such accountants, together with copies of all management letters and written recommendations and comments submitted by the

accountants making such audit, and (B) the information and documents described in EXHIBIT II attached hereto, and (2) such other information and documents as UAMPS may reasonably request from time to time.

(e) The Participant may notify UAMPS if non-public information is contained in the materials provided under EXHIBIT II. UAMPS agrees to (i) classify any such non-public information as “protected records” within the meaning of, and to the extent permitted under, the Utah Government Records Access and Management Act, (ii) agrees to cooperate with the Participant to appropriately classify any such non-public information under such other public records laws that apply to the Participant and (iii) notify the Participant of any demand for disclosure of such information and will cooperate with the Participant in contesting any such disclosure demand.

(f) Concurrently with its execution and delivery of this Contract, the Participant shall deliver to UAMPS (i) a certificate, together with attached exhibits, in substantially the form attached hereto as EXHIBIT III and (ii) an opinion of counsel in substantially the form attached hereto as EXHIBIT V. In connection with each issuance of Bonds by UAMPS and at such other times as UAMPS may reasonably request, the Participant shall deliver to UAMPS (iii) a bring-down certificate in substantially the form attached hereto as EXHIBIT IV, and (iv) a bring-down opinion of counsel in substantially the form attached hereto as EXHIBIT VI.

Section 32. Covenants and Agreements of the Participant. The Participant covenants to and agrees with UAMPS as follows:

(a) *Maintenance of Rates.* The Participant shall establish, maintain, revise, charge and collect rates for electric service rendered by it to its customers so that such rates shall provide revenues which, together with other funds reasonably estimated to be available, will be sufficient to meet the Participant’s obligations to UAMPS under this Contract, to pay all other operating expenses of the Participant’s Electric System and to provide revenues sufficient to pay all obligations of the Participant payable from, or constituting a charge or lien on, the revenues of its Electric System and, to the extent being paid from the revenues of its Electric System, all other bonds of the Participant now or hereafter outstanding.

(b) *Maintenance of Revenues.* The Participant shall promptly collect all charges due for electric utility services supplied by it as the same become due. The Participant shall at all times maintain and shall exercise Commercially Reasonable Efforts to enforce its rights against any person, customer or other entity that does not pay such charges when due.

(c) *Sale or Assignment of Electric System or Power Sales Contract.* During the term of this Contract, the Participant shall not sell, lease or otherwise dispose of all or substantially all of its Electric System, except upon compliance with the following provisions respecting the transfer or assignment of its Entitlement Share.

The Participant shall not assign, sell or transfer all or any part of its Entitlement Share or any or all of its interests under this Contract, except upon one hundred twenty (120) days’ prior written notice to UAMPS and compliance with the provisions set forth below. Within thirty (30)

days after receipt of such notice from the Participant (and if such notice indicates that the Participant proposes to assign its Entitlement Share), UAMPS shall notify all of the other Participants of the proposed assignment or transfer by the Participant of all or part of its Entitlement Share. Each of the other Participants shall have the option of acquiring all or any portion of the Entitlement Share that is proposed to be assigned or transferred and shall notify UAMPS of its exercise of such option within forty-five days of its receipt of the notice from UAMPS referred to in the preceding sentence. In the event that two or more of the other Participants shall exercise their options with respect to the Entitlement Share that is proposed to be assigned or transferred in amounts which exceed the total Entitlement Share proposed to be assigned, UAMPS shall, to the extent necessary, make a pro rata allocation of the such Entitlement Share among the Participants which have exercised their options, based upon the existing Entitlement Shares of the requesting Participants. In the event that less than all of such Entitlement Share shall be acquired by other Participants, UAMPS shall notify the other Members of UAMPS of the proposed assignment of an Entitlement Share and shall provide such Members with an opportunity to acquire the remaining portion of the Participant's Entitlement Share.

In the event that less than all of the Entitlement Share proposed to be transferred or assigned is to be acquired by other Participants or other Members of UAMPS, the Participant may proceed to transfer or assign its Entitlement Share and its rights under this Contract upon satisfaction of the following conditions: (A) at the sole option of UAMPS either (i) the purchaser or assignee shall assume all obligations of the Participant under this Contract in such a manner as shall assure UAMPS to its sole satisfaction that the Participant's Entitlement Share to be purchased hereunder and the amounts to be paid therefor will not be reduced, and if and to the extent deemed necessary by UAMPS in its sole discretion to reflect such assignment and assumption, UAMPS and such purchaser or assignee shall enter into an agreement supplemental to this Contract to clarify the terms upon which the Participant's Entitlement Share is to be sold hereunder by UAMPS to such purchaser or assignee; or (ii) such purchaser or assignee shall enter into a new contract with UAMPS for the purchase of the Participant's Entitlement Share at a price and on terms which UAMPS in its sole discretion determines not to be less beneficial to it and the other Participants than this Contract; (B) the senior debt, if any, of such purchaser or assignee, if such purchaser or assignee is not a Participant shall be rated by at least "Baa2" or "BBB", as applicable, by at least one Rating Agency; (C) the Project Management Committee shall by resolution determine that such sale, lease or other disposition will not adversely affect UAMPS, the other Participants or the security for the payment of Bonds; and (D) UAMPS shall have received an opinion of Bond Counsel to the effect that such sale, assignment or disposition will not by itself adversely affect the Tax Status of Bonds theretofore issued or thereafter issuable. UAMPS shall make the determinations required by this subparagraph (3) within one hundred twenty (120) days of receipt by UAMPS of the notice referred to in the first sentence of this subparagraph and shall provide a written copy of such determinations to the Participant.

In the event any sale, lease or other disposition is permitted pursuant to this subparagraph (3), UAMPS may require as additional security to assure the flow of revenues under this Contract, and the transferring and assigning Participant shall provide or cause to be provided either a prepayment or a security deposit for amounts due under this Contract in such amounts as shall be determined by the Project Management Committee.

Upon the completion of any such sale, lease or other disposition, UAMPS shall prepare and send to each of the Participants a revised SCHEDULE I, setting forth the Entitlement Shares, Capital Contribution Percentages, Debt Service Percentages and Debt Service Shares of the Participants, as revised to reflect such sale, lease or other disposition.

(d) *Good Utility Practice.* The Participant shall, in accordance with Good Utility Practice, (i) at all times operate its Electric System and the business thereof in an efficient manner, (ii) maintain its Electric System in good repair, working order and condition, (iii) from time to time make all necessary and proper repairs, renewals, replacements, additions, betterments and improvements with respect to the Electric System, so that at all times the business thereof shall be properly conducted, and (iv) duly perform its obligations under all power supply and transmission service agreements to which it is a party.

(e) *Operating Expenses.* UAMPS and the Participant intend that the payments to be made by the Participant to UAMPS pursuant to this Contract will be payable (i) if and to the extent that any payments are required to be made prior to the Commercial Operation Date, from the revenues and income derived from the operation of the Participant's Electric System as a cost of the development of a new long-term power supply resource, (ii) from and after the Commercial Operation Date as a cost of purchased electric power and energy, and (iii) in each case as an operating expense of the Participant's Electric System and a first charge, together with all other operating expenses, on the revenues derived from the operation of the Participant's Electric System; *provided that* if any amount payable by the Participant under this Contract is prohibited from being paid as an operating expense of the Participant's Electric System under applicable law or a binding contractual obligation, such amount shall be payable from the available revenues and income of the Participant's Electric System. The Participant covenants to and agrees with UAMPS that it will, unless otherwise required by applicable law or under a binding contractual obligation, include the annual payments required to be made by it under this Contract as a cost of purchased electric power and energy as an operating expense in the annual operating budget of its Electric System and in any resolution, ordinance or indenture providing for future borrowings for the Participant's Electric System.

(f) *Tax Status.*

(i) The Participant agrees that it will apply all of the Electric Energy acquired under this Contract to a Qualified Use and that it will not take or omit to take any action (whether with respect to the Electric Energy acquired under this Contract or otherwise) which could, either alone or in conjunction with any other similar actions by the Participant or other Participants, adversely affect the Tax Status of any Bonds issued or issuable by UAMPS. Upon any breach of the foregoing covenants, the Participant shall take and pay the costs of all remedial actions as may be directed by UAMPS in order to maintain the Tax Status of the Bonds.

(ii) The Participant represents and warrants that, as of the Effective Date, it has no contracts (and has no current expectation of entering into any contracts) other than Permitted Output Contracts to provide electric service to any purchaser. At least thirty days prior to entering into any such contract, the Participant shall notify UAMPS of its

intent to enter into such contract and provide copies of such contract to UAMPS. Within thirty days after receipt of such notice, UAMPS shall advise the Participant as to whether, in the opinion of Bond Counsel, such contract would result in a violation of the covenant in clause (i) above. The cost of such opinion and other reports necessary in connection therewith shall be borne by the Participant.

(iii) The Participant agrees to provide such information as UAMPS may request and to comply with such additional instructions as may be provided by UAMPS in order to confirm and maintain the Qualified Use of the Electric Energy sold under this Contract.

Section 33. Default by Participant. Each of the following shall constitute a “default” by the Participant under this Power Sales Contract:

(a) failure of the Participant to make to UAMPS any of the payments for which provision is made in this Power Sales Contract within five business days after the due date of any such payment; or

(b) failure by the Participant to observe any of the covenants, agreements or obligations on its part contained herein and failure to remedy the same for a period of sixty days after written notice thereof, specifying such failure and requiring the same to be remedied, shall have been given by or on behalf of UAMPS; or

(c) bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, including without limitation proceedings under Title 11, Chapter 9, United States Code or other proceedings for relief under any federal or state bankruptcy law or similar law for the relief of debtors, are instituted by or against the Participant and, if instituted against the Participant, said proceedings are consented to or are not dismissed within thirty days after such institution.

Section 34. Continuing Obligation of Participant; Right of UAMPS to Discontinue Service. (a) In the event of any default referred to in Section 33, the Participant shall not be relieved of its liability for payment of any amounts in default or its failure to observe its covenants, agreements and obligations hereunder and UAMPS shall have the right to recover from the Participant any amount in default. In enforcement of any such right of recovery, UAMPS may bring any suit, action, or proceeding in law or in equity, including mandamus and action for specific performance, as may be necessary or appropriate to enforce any covenant, agreement or obligation of the Participant hereunder or the obligation of the Participant to make any payment for which provision is made in this Contract.

(b) In addition to proceeding with its rights against a defaulting Participant pursuant to paragraph (a) above, UAMPS may, upon not less than thirty days’ written notice from UAMPS to the Participant, cease and discontinue providing all or any portion of the Participant’s Entitlement Share and may terminate the Participant’s right to receive the Electric Energy allocable to its Entitlement Share under this Power Sales Contract. In connection with its determination to discontinue providing all or any portion of a defaulting Participant’s Entitlement Share, UAMPS shall take into account, among such other matters as UAMPS in its sole discretion shall deem

relevant, the amounts and due dates of its payment obligations under the Project Agreements and the Financing Documents and the funds and revenues available to UAMPS to enable it to meet its obligations thereunder. Any such termination of the Participant's Entitlement Share under this Power Sales Contract shall not, however, terminate, reduce or modify the Participant's outstanding obligations and liabilities hereunder.

(c) The suspension or termination of a defaulting Participant's right to receive its Entitlement Share and any actions taken by UAMPS pursuant to Section 35 shall not terminate, reduce or modify the defaulting Participant's obligations and liabilities under its Power Sales Contract. The defaulting Participant shall remain liable under all billing statements rendered by UAMPS, whether prior or subsequent to the default, and UAMPS for itself and on behalf of the nondefaulting Participants shall be entitled to recover from the defaulting Participant all damages, legal fees, costs and expenses incurred by UAMPS and the nondefaulting Participants as a result of such default. UAMPS shall exercise Commercially Reasonable Efforts to mitigate the damages resulting from the Participant's default.

Section 35. Transfer of Entitlement Share Following Default; Other Actions by UAMPS.

(a) UAMPS and the Participant acknowledge that a default by any of the Participants under its Power Sales Contract could reduce the revenues available to UAMPS which are necessary in order for UAMPS to meet its obligations under the Project Agreements and the Financing Documents on a timely basis. In the event of an insufficiency of revenues and an inability on the part of UAMPS to meet its obligations under the Project Agreements and the Financing Documents on a timely basis, the ability of UAMPS to deliver Electric Energy from the Project and the interests of all of the Participants will be materially and adversely affected. The provisions of this Section are intended to assure the sufficiency of revenues to UAMPS following a default by a Participant under its Power Sales Contract by the reallocation of the defaulting Participant's Entitlement Share. As set forth below, UAMPS agrees to take certain actions to mitigate the impact of any such reallocation on the nondefaulting Participants. The Participants agree that the provisions of this Section are reasonable and necessary in order for them to achieve the benefits of their joint and cooperative undertaking with respect to the Project.

(b) In the event of a default by any Participant and discontinuance of service pursuant to Section 35 of such Participant's Power Sales Contract, but only if the Project has not been terminated, UAMPS and the nondefaulting Participants shall take the following actions in the order set forth below:

(1) UAMPS shall immediately make a mandatory allocation of the defaulting Participant's Entitlement Share among all of the nondefaulting Participants, pro rata on the basis of their original Entitlement Shares. UAMPS shall provide written notice to the nondefaulting Participants of the mandatory allocation of the defaulting Participant's Entitlement Share which notice shall (a) set forth the date of the mandatory allocation, (b) include a revised Schedule I showing the increased Entitlement Shares and (to the extent applicable) the revised Capital Contribution Percentages, Debt Service Percentages and Debt Service Shares of the nondefaulting Participants as a result of such allocation, (c) direct each of the nondefaulting Participants to make an election pursuant to subparagraph (2) below, and (d) set forth the date by which each of the nondefaulting

Participants must notify UAMPS of its election pursuant to subparagraph (2) below. Such mandatory allocation of the defaulting Participant's Entitlement Share and the increased Entitlement Shares and the revised Capital Contribution Percentages, Debt Service Percentages and Debt Service Shares of the nondefaulting Participants as a result of such allocation (as shown on the revised Schedule I prepared by UAMPS) shall remain in effect until the completion of the procedures provided for in this paragraph (a). During such period, each of the nondefaulting Participants shall have all of the rights, benefits, obligations and responsibilities associated with its increased Entitlement Share and its revised Capital Contribution Percentage, Debt Service Percentage and Debt Service Share as a result of such allocation.

(2) Within sixty days after the allocation of the defaulting Participant's Entitlement Share provided for in subparagraph (1) above, each of the nondefaulting Participants shall notify UAMPS in writing of its election of one of the following options: (A) to retain that portion of the defaulting Participant's Entitlement Share allocated to such nondefaulting Participant pursuant to subparagraph (1) above and the additional amount, if any, of the defaulting Participant's Entitlement Share that such nondefaulting Participant elects to acquire from any other nondefaulting Participant that may elect to retain less than all of the defaulting Participant's Entitlement Share allocated to it pursuant to subparagraph (1) above; or (B) to retain none or less than all of the defaulting Participant's Entitlement Share allocated to the Participant pursuant to subparagraph (1) above. Any Participant that shall have elected to retain all of that portion of the defaulting Participant's Entitlement Share allocated to it pursuant to subparagraph (1) above shall be deemed to have fully satisfied its obligations to UAMPS under this Section and shall not thereafter be required to accept any additional allocation of the defaulting Participant's Entitlement Share.

(3) Within thirty days after its receipt of the elections of all nondefaulting Participants pursuant to subparagraph (2), UAMPS shall determine whether the nondefaulting Participants have elected to retain all of the Entitlement Share of the defaulting Participants pursuant to subparagraph (2). In the event that any of the Participants shall have elected to retain less than all of its allocation of the defaulting Participant's Entitlement Share, UAMPS shall proportionally reallocate the remaining amount of the defaulting Participant's Entitlement Share among those nondefaulting Participants that have requested additional amounts of the defaulting Participant's Entitlement Share. To the extent necessary to provide for a complete reallocation of the defaulting Participant's Entitlement Share, UAMPS shall next reallocate any remaining portion of the defaulting Participant's Entitlement Share among those Participants that did not elect to retain all of their initial allocations of such Entitlement Share. Proportional reallocations shall be based upon the Entitlement Shares of the nondefaulting Participants in effect immediately prior to the defaulting Participant's default.

(4) In no event shall any reallocation of a defaulting Participant's Entitlement Share, or the total of all mandatory reallocations of Entitlement Shares in the event of two or more Participant defaults under the Power Sales Contracts, cause any nondefaulting

Participant's Entitlement Share to increase by more than [__]%* over its original Entitlement Share set forth on Schedule I.

(5) Each allocation or reallocation of a defaulting Participant's Entitlement Share shall also allocate or reallocate the defaulting Participant's Capital Contribution Percentage and Debt Service Percentage to the nondefaulting Participants receiving such allocation or reallocation. The Capital Contribution Percentage and the Debt Service Percentage of the defaulting Participant shall be allocated to each of such nondefaulting Participants proportionally based upon the respective amounts of the defaulting Participant's Entitlement Share that are allocated or reallocated to them.

(6) UAMPS shall deliver, promptly after making the determinations and reallocations required by this paragraph (b), a notice to the nondefaulting Participants which notice shall (A) set forth the reallocation of the defaulting Participant's Entitlement Share made by UAMPS pursuant to subparagraph (3) above, and the effective date of such reallocation, (B) set forth the amount, if any, of the Entitlement Share of the defaulting Participant that has been mandatorily reallocated to nondefaulting Participants that did not elect to retain or acquire the same, and (C) include a revised SCHEDULE I showing the revised Entitlement Shares, Capital Contribution Percentages, Debt Service Percentages and Debt Service Shares, respectively, of the nondefaulting Participants as a result of the reallocation provided for under subparagraph (3). The Entitlement Shares, Capital Contribution Percentages, Debt Service Percentages and Debt Service Shares shown on such revised SCHEDULE I shall thereafter be the Entitlement Shares, Capital Contribution Percentages, Debt Service Percentages and Debt Service Shares of the nondefaulting Participants.

(7) Any portion of the Entitlement Share of a defaulting Participant transferred pursuant to this paragraph (b) to a nondefaulting Participant shall become a part of and shall be added to the Entitlement Share of each transferee Participant, and from and after the date of such transfer the transferee Participant shall be obligated to pay for its increased Entitlement Share pursuant to the terms and provisions of this Power Sales Contract. The defaulting Participant shall remain liable to UAMPS and the other Participants for costs incurred and damages suffered by them in connection with the actions taken with respect to the defaulting Participant's Entitlement Share provided for in this Section.

(c) In the event that any portion of a defaulting Participant's Entitlement Share shall have been mandatorily reallocated to nondefaulting Participants pursuant to paragraph (b)(3) above or in the event that the procedures set forth in paragraph result in the reallocation of less than all of a defaulting Participant's Entitlement Share, UAMPS shall use Commercially Reasonable Efforts to sell or dispose of all or any part of the defaulting Participant's Entitlement Share as follows and in the following order:

* This amount will not exceed 25% and will be determined by the Project Management Committee upon the Effective Date of the Power Sales Contracts.

(1) UAMPS shall first seek to sell all or any part of the defaulting Participant's Entitlement Share on terms and conditions comparable to those contained in the Power Sales Contracts; and

(2) UAMPS shall then seek to sell all or any part of such portion of the defaulting Participant's Entitlement Share or the Electric Energy associated therewith on the best obtainable terms and conditions.

Subject to the provisions of the Financing Documents, no sale, transfer or other disposition of all or a part of an Entitlement Share shall be made pursuant to this paragraph (c) if such sale, transfer or disposition will adversely affect the exclusion from gross income for federal income tax purposes of the interest on any of the Bonds issued as tax exempt obligations.

(d) In the event that UAMPS is unable to sell or dispose of any portion of the defaulting Participant's Entitlement Share pursuant to paragraph (c) above within 180 days of commencing Commercially Reasonable Efforts so to do and UAMPS, based upon determinations by the Project Management Committee and the Board, determines that the inability to sell or dispose of the defaulting Participant's Entitlement Share will materially and adversely affect the ability of the nondefaulting Participants to meet their obligations under the Power Sales Contract or the ability of UAMPS to meet its obligations under the Project Agreements and the Financing Documents, then UAMPS shall take such actions as UAMPS in its sole discretion shall deem necessary to ensure the availability of sufficient funds and revenues to enable UAMPS to meet its obligations under the Project Agreements and the Financing Documents. Such actions may include, without limitation, any of the following measures (or any combination thereof):

(1) UAMPS may sell all or any portion of the Project that is allocable to the defaulting Participant's Entitlement Share on such terms and conditions as UAMPS deems to be in the best interest of UAMPS and the nondefaulting Participants and shall apply the proceeds of such sale to the purchase, redemption or defeasance of the Bonds or to other purposes related to the Project; or

(2) UAMPS may enter into contractual arrangements for the sale of all or any portion of the defaulting Participant's Entitlement Share or the Electric Energy associated therewith on such terms and conditions as will maximize the revenues available to UAMPS without regard to any adverse effect that such sale may have on the exclusion of interest on the Bonds from gross income for federal income tax purposes.

In the event that UAMPS makes any sale pursuant to clause (2) above, UAMPS will obtain an opinion of Bond Counsel addressing the tax status of interest on the Bonds issued as tax exempt obligations. UAMPS will take such remedial actions as are available to it to preserve the tax exempt status of interest on such Bonds. In the event that such opinion indicates that interest on the Bonds is or will become includible in gross income for federal income tax purposes, the Participant acknowledges that it may be necessary for UAMPS to pay additional amounts as interest or penalties on the Bonds and that the Debt Service Costs payable by the Participant pursuant to Section 26 will increase correspondingly. The Participant agrees to pay its Debt

Service Share of such increased Debt Service Costs pursuant to the provisions of this Power Sales Contract.

(e) Upon any sale or disposition of all or any portion of a defaulting Participant's Entitlement Share or the Electric Energy associated therewith or any sale of the Project pursuant to paragraphs (c) and (d) above, UAMPS shall take into account the proceeds realized or the revenues to be received from such sale or disposition and shall, to the extent necessary, make adjustments to the Entitlement Share, Capital Contribution Percentage, Debt Service Percentage and Debt Service Share of each of the nondefaulting Participants to reflect such sale or disposition and to ensure the receipt of revenues sufficient to enable UAMPS to meet its obligations under the Project Agreements and the Financing Documents. The Participant acknowledges that such adjustments may, under certain circumstances, result in a change in the Participant's share of Operation and Maintenance Costs, Transmission Costs and Debt Service Costs without a corresponding change in the Participant's Entitlement Share. Upon the completion of the procedures provided for in this Section, UAMPS shall prepare and send to each of the Participants a final revised SCHEDULE I, setting forth the Entitlement Shares, the Capital Contribution Percentages, Debt Service Percentages and Debt Service Shares, respectively, of the nondefaulting Participants after the procedures and actions provided for in this Section.

Section 36. Other Default by Participant. In the event of a failure of the Participant to observe, keep and perform any of the covenants, agreements or obligations on its part contained in this Power Sales Contract, UAMPS may, in addition to its other rights hereunder, bring any suit, action, or proceeding in law or in equity, including mandamus, injunction and action for specific performance, as may be necessary or appropriate to enforce any covenant, agreement or obligation of this Power Sales Contract against the Participant.

Section 37. Default by UAMPS; Dispute Resolution. (a) In the event of any default by UAMPS under any covenant, agreement or obligation of this Power Sales Contract, the Participant's sole remedy for such default shall be limited to mandamus, injunction, action for specific performance or any other available equitable remedy as may be necessary or appropriate and in no event shall the Participant withhold or offset any payment owed to UAMPS hereunder.

(b) Prior to and as a condition to the filing of any action with respect to this Contract under paragraph (a) above, the Participant shall first submit the dispute or matter in question to the Project Management Committee for mediation by giving notice in writing to UAMPS and the Chair of the Project Management Committee describing the dispute or matter and the issue or issues to be resolved. The Participant agrees to participate fully and in good faith in all mediation proceedings of the Project Management Committee. In the event that the Project Management Committee is unable to resolve or mediate such dispute or matter within 120 days after UAMPS has received written notice of the dispute, the Participant shall have the right to initiate such proceedings as it may deem necessary pursuant to paragraph (a).

Section 38. Abandonment of Remedy. In case any proceeding taken on account of any default shall have been discontinued or abandoned for any reason, the parties to such proceedings shall be restored to their former positions and rights hereunder, respectively, and all rights,

remedies, powers and duties of UAMPS and the Participant shall continue as though no such proceedings had been taken.

Section 39. Waiver of Default. Any waiver at any time by either UAMPS or the Participant of its rights with respect to any default of the other party hereto, or with respect to any other matter arising in connection with this Power Sales Contract, shall not be a waiver with respect to any subsequent default, right or matter.

Section 40. Relationship to and Compliance with Other Instruments. (a) It is recognized by the parties hereto that UAMPS, in undertaking, or causing to be undertaken, the planning, financing, construction, acquisition, operation and maintenance of the Project, must comply with the requirements of the Financing Documents, the Project Agreements and all Permits and Approvals necessary therefor, and it is therefore agreed that this Power Sales Contract is made subject to the terms and provisions of the Financing Documents, the Project Agreements and all such Permits and Approvals.

(b) UAMPS covenants and agrees that it will use Commercially Reasonable Efforts for the benefit of the Participant to comply in all material respects with all terms, conditions and covenants applicable to it contained in the Financing Documents, the Project Agreements and all Permits and Approvals relating thereto and that it will not, without the consent of the Participant, enter into any amendment or modification of the Financing Documents or the Project Agreements which will change the Participant's Entitlement Share or which will materially and adversely affect the rights and obligations of the Participant hereunder.

Section 41. Liability of Parties. UAMPS and the Participant shall assume full responsibility and liability for the maintenance and operation of their respective properties and each shall, to the extent permitted by law, indemnify and save harmless the other from all liability and expense on account of any and all damages, claims, or actions, including injury to or death of persons arising from any act or accident in connection with the installation, presence, maintenance and operation of the property and equipment of the indemnifying party and not caused in whole or in part by the negligence of the other party; *provided* that any liability which is incurred by UAMPS through the operation and maintenance of the Project or pursuant to the Project Agreements and not covered, or not covered sufficiently, by insurance shall be paid solely from the revenues of UAMPS hereunder, and any payments made by UAMPS to satisfy such liability shall, except to the extent paid from proceeds of Bonds or Capital Contributions, become part of Operation and Maintenance Costs.

Section 42. Assignment of Power Sales Contract. (a) This Power Sales Contract shall inure to the benefit of and shall be binding upon the respective successors and assigns of the parties to this Power Sales Contract; *provided, however*, that neither this Power Sales Contract nor any interest herein shall be transferred or assigned by either party hereto except as follows:

(1) UAMPS may assign its interests under this Power Sales Contract or all or any portion of the amounts payable by the Participant hereunder pursuant to the Financing Documents as described in paragraph (b) below;

(2) UAMPS may sell, transfer or reallocate all or any portion of the Participant's Entitlement Share following a default by the Participant and a discontinuance of service as provided in Section 35;

(3) After such point in time as all Bonds issued under the Financing Documents have been paid or deemed to have been paid as provided in the Financing Documents, UAMPS may assign this Power Sales Contract and pledge the amounts payable by the Participant hereunder without limitation;

(4) the Participant shall assign the Electric Energy allocable to the Participant's Entitlement Share to the UAMPS Pool as provided in Section 10; and

(5) subject to the provisions of Section 32, the Participant may assign or transfer all or any portion of its Entitlement Share or its interests under this Power Sales Contract.

(b) The Participant acknowledges and agrees that UAMPS may assign and pledge to the Trustee designated in the Financing Documents all or any portion of its right, title, and interest in and to the payments to be made to UAMPS under the provisions of this Power Sales Contract, as security for the payment of the principal (including sinking fund installments) of, premium, if any, and interest on Bonds and, upon such assignment and pledge, UAMPS may grant to the Trustee any rights and remedies herein provided to UAMPS, and thereupon any reference herein to UAMPS shall be deemed, with the necessary changes in detail, to include the Trustee which on behalf of and together with the owners from time to time of the Bonds shall be third party beneficiaries of the covenants and agreements of the Participant herein contained.

Section 43. Termination or Amendment of Power Sales Contract. (a) This Power Sales Contract shall not be terminated by either party under any circumstances, whether based upon the default of the other party under this Power Sales Contract or any other instrument or otherwise except as specifically provided in this Power Sales Contract.

(b) This Power Sales Contract shall not be amended, modified, or otherwise altered in any manner that will adversely affect the security for the Bonds afforded by the provisions of this Power Sales Contract. So long as any of the Bonds are outstanding or until adequate provisions for the payment thereof have been made in accordance with the provisions of the Financing Documents, this Power Sales Contract shall not be amended, modified, or otherwise altered in any manner which will reduce the payments pledged as security for the Bonds or extend the time of such payments provided herein or which will in any manner impair or adversely affect the rights of the owners from time to time of the Bonds.

(c) Subject to Section 6, no Power Sales Contract entered into between UAMPS and another Participant may be amended so as to provide terms and conditions that are substantially and materially different from those herein contained except upon written notice to and written consent or waiver by each of the other Participants, and upon similar amendment being made to the Power Sales Contract of any other Participants requesting such amendment after receipt by such Participant of notice of such amendment.

(d) In connection with any revision or amendment of the billing procedures provided for in Section 25 or of any of the Exhibits, UAMPS shall promptly provide a copy of the revision or amendment to the Participant.

Section 44. Notices and Computation of Time. All notices, demands or other communications made pursuant to this Contract (each, a “Notice”) may be sent by facsimile, electronic mail, other mutually acceptable electronic means, a nationally recognized overnight courier service, first class mail or hand delivery. Notice shall be deemed given when received by the addressee, unless received on a day that is not a business day or received after 5:00 p.m. (receiving party’s local time) on a business day, in which case Notice shall be deemed to have been received on the next following business day. In the absence of proof of the actual receipt date, the following presumptions will apply: (i) Notice sent by facsimile or electronic mail shall be deemed to have been received upon the sending party’s receipt of electronic confirmation of successful transmission; (ii) Notice sent by overnight mail or courier shall be deemed to have been received on the next business day after it was sent or such earlier time as is confirmed by the receiving party; and (iii) Notice sent by first class mail shall be deemed to have been received five business days after mailing.

(b) All Notices shall be sent by UAMPS to the business address, facsimile address or e-mail address of the Participant’s Representative. All Notices shall be sent by the Participant to the business address, facsimile address or designated e-mail address of UAMPS. Either party may change its Notice address(es) by Notice to the other party.

Section 45. Relationship of UAMPS and the Participant; Relationship among Participants. (a) This Power Sales Contract is not intended to create, nor shall it be deemed to create, any relationship between UAMPS and the Participant other than that of independent parties contracting with one another for the purpose of effectuating the provisions of this Power Sales Contract.

(b) The covenants, obligations, liabilities, rights and benefits of the Participant under this Power Sales Contract are individual and not joint and several, or collective, with those of any other Participant. Other than giving effect to the joint and cooperative action of UAMPS on behalf of the Participants, the Power Sales Contracts shall not be construed to create an association, joint venture, trust or partnership, or to impose a trust or partnership covenant, obligation or liability on, between or among the Participant and any one or more of the Participants. No Participant shall be or be deemed to be under the control of, nor shall any Participant control or be deemed to control, any or all of the other Participants or the Participants as a group. No Participant shall be bound by the actions of any other Participant, nor shall any Participant be deemed to be the agent of any other Participant or have the right to bind any other Participant.

Section 46. No Recourse Against Officers, Etc. of UAMPS or Participant. No member of the governing body, nor any officer or employee of UAMPS or the Participant shall be individually or personally liable for any payment under this Power Sales Contract or be subject to any personal liability or accountability by reason of the execution of this Power Sales Contract; *provided, however,* that this Section shall not relieve any officer or employee of UAMPS or the Participant from the performance of any official duty imposed by law or this Power Sales Contract.

Section 47. Governing Law; Jurisdiction and Venue. (a). This Power Sales Contract is made under and shall be governed by the law of the State of Utah; *provided, however*, that if the Participant is organized or created pursuant to the laws of another state, then the authority of the Participant to execute and perform its obligations under this Power Sales Contract shall be determined under the laws of such state. Headings herein are for convenience only and shall not influence the construction hereof.

(b) All judicial proceedings brought against either party arising out of or relating hereto shall be brought exclusively in the courts of the State of Utah or of the United States of America for the District of Utah. By executing and delivering this Contract, each party, for itself and in connection with its properties, irrevocably accepts generally and unconditionally the nonexclusive jurisdiction and venue of such courts; waives any defense of *forum non conveniens*; agrees that service of all process in any such proceeding in any such court may be made by registered or certified mail, return receipt requested, to the party at its address provided in accordance with Section 44; and agrees that service as provided above is sufficient to confer personal jurisdiction over the party in any such proceeding in any such court, and otherwise constitutes effective and binding service in every respect.

Section 48. Severability; No Merger. (a) If any section, paragraph, clause or provision of this Power Sales Contract shall be finally adjudicated by a court of competent jurisdiction to be invalid, the remainder of this Power Sales Contract shall remain in full force and effect as though such section, paragraph, clause or provision or any part thereof so adjudicated to be invalid had not been included herein.

(b) This Power Sales Contract constitutes the entire and complete agreement of UAMPS and the Participant in respect of the Project and shall not be nor shall it be deemed to be modified, amended or superseded by any other agreement or contract between UAMPS and the Participant in respect of any other project or subject.

Section 49. Contract Beneficiaries. This Contract is entered for the benefit of and as the binding agreement of UAMPS and the Participant. The Trustee and the owners of the Bonds are the only third-party beneficiaries of this Contract, as and to the extent provided in the Financing Documents.

IN WITNESS WHEREOF, the parties hereto have caused this Power Sales Contract to be executed by their proper officers respectively, being thereunto duly authorized, and their respective corporate seals to be hereto affixed, as of the day, month and year first above written.

HEBER LIGHT & POWER COMPANY, UTAH

By: _____
Its Chairman

[SEAL]

ATTEST AND COUNTERSIGN

By: _____
Title: Secretary

UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS

By: _____
Chairman

[SEAL]

ATTEST AND COUNTERSIGN

By: _____
Assistant Secretary

PRELIMINARY

SCHEDULE D

SCHEDULE OF PARTICIPANTS, DEVELOPMENT SHARES AND DEVELOPMENT COST SHARES

PARTICIPANT	DEVELOPMENT SHARE (KW)	DEVELOPMENT COST SHARE (%)*
-------------	---------------------------	--------------------------------

TOTAL

100.0000%

* Column may not total due to rounding.

SCHEDULE I

SCHEDULE OF PARTICIPANTS, ENTITLEMENT SHARES

SCHEDULE OF PARTICIPANTS, ENTITLEMENT SHARES, CAPITAL CONTRIBUTION PERCENTAGES, DEBT SERVICE PERCENTAGES AND DEBT SERVICE SHARES*

PARTICIPANT	ENTITLEMENT SHARE	
	kW	% **

TOTAL		%
-------	--	---

* Capital Contribution Percentages, Debt Service Percentages and Debt Service Shares to be added if Capital Contributions are made.

** Column may not total due to rounding.

EXHIBIT I

DESCRIPTION OF THE INITIAL FACILITIES

The following is a preliminary and summary description of the Initial Facilities. This description is subject to change based upon selection of the Contractor, the negotiation of the final terms of the Construction Contracts and the construction of the Initial Facilities. The final description of the Initial Facilities will be approved by the Project Management Committee after the Project achieves commercial operation.

PARTICIPANT _____
FISCAL YEAR _____

EXHIBIT II

FORM OF PARTICIPANT'S ANNUAL INFORMATION REPORT*

SYSTEM DESCRIPTION

Incorporated area of municipality _____ square miles.

Service area of utility _____ square miles.

Transmission and distribution lines _____ miles.

Number of employees in electrical department _____. (Include sum of shared employees' time in other city offices to determine equivalent full-time employees.)

Number of customers served outside the city limits _____.

Service area outside of the city limits _____ square miles.

NUMBER OF ELECTRICAL CUSTOMERS AND TYPE OF LOAD SERVED

CUSTOMER CLASS	NUMBER OF CUSTOMERS
Residential	
Commercial	
Industrial	
Agricultural and Pumping	
Military and Other	
TOTAL	

Annual audit will be sent to UAMPS as soon as completed after the fiscal year.

Electric Rate Schedules for the above classes of service are attached hereto.

*

Under Section 31(d) of the Power Sales Contract, UAMPS has agreed to classify certain of the information provided by the Participant on this Exhibit II as a "protected record," pursuant to the Participant's request. The Participant must also take any actions necessary on its part to appropriately classify and protect such information provided in this Exhibit.

Customer Sales by Class

Total sales to your customers _____ kWh.

Revenues from energy sales to your customers in \$_____.

CUSTOMER CLASS	KWH SALES	REVENUES (\$)
Residential		
Commercial		
Industrial		
Agricultural		
Other		
TOTAL		

**GENERATION
PRODUCED FOR SYSTEM LOAD**

	GENERATING UNIT PRODUCTION							
	#1		#2		#3		#4	
	kW	kWh	kW	kWh	kW	kWh	kW	kWh
July								
August								
September								
October								
November								
December								
January								
February								
March								
April								
May								
June								
TOTAL								

**SYSTEM PEAK INCLUDING LOAD
COVERED BY OWN GENERATION**

	kW		kW
July		January	
August		February	
September		March	
October		April	
November		May	
December		June	

FIVE LARGEST LOADS

	TYPE OF BUSINESS	KWH SOLD	ANNUAL ELECTRICAL BILLINGS
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____

ACHIEVEMENTS

Provide below the achievements of your utility for the year.

EXHIBIT III

FORM OF CERTIFICATE OF PARTICIPANT

STATE OF _____)
)
COUNTY OF _____)

The undersigned hereby certify that they are the [Executive Officer] and [Clerk/Recorder/Secretary] of _____ (the "*Participant*"), a member of Utah Associated Municipal Power Systems ("*UAMPS*"), and that as such they are authorized to execute this Certificate on behalf of the Participant and hereby certify as follows:

1. This Certificate has been executed pursuant to Section 31(f) of the Power County Power Project Power Sales Contract, dated as of December 1, 2024 (the "*Power Sales Contract*"), between the Participant and UAMPS, in connection with the execution and delivery of the Power Sales Contract. Capitalized terms used and not otherwise defined herein have the meanings assigned to them in the Power Sales Contract.

2. The Participant is a _____, duly created and validly existing under the laws of the State of _____ (the "*State*"), and is governed by a _____ (the "*Governing Body*").

3. Attached hereto as *Exhibit A* is a true, complete and correct copy of a resolution authorizing the execution and delivery of the Power Sales Contract and related matters (the "*Contract Resolution*"). The Contract Resolution was duly adopted by a majority of the Governing Body present and voting at a public meeting of the Governing Body held on _____, at which a quorum was present and acted throughout.

4. The meeting of the Governing Body at which the Contract Resolution was adopted was duly called, noticed and held in conformity with applicable laws of the State and procedural rules of the Governing Body. The Contract Resolution is in full force and effect and has not been amended, modified, repealed or supplemented.

5. The names of the [Executive Officer] and the [Clerk/Recorder/Secretary] authorized to execute and deliver the Power Sales Contract on behalf of the Participant are as follows:

NAME

OFFICE

«officer»

[Executive Officer]

«officer»

[Clerk/Recorder/Secretary]

6. (a) No petition was filed with the Participant or any of its officers seeking to refer the Contract Resolution to the electors of the Participant in accordance with the provisions of state law; and (b) no litigation has been instituted, is pending or has been threatened to require a referendum election on the Contract Resolution.

7. The Participant owns and operates an electric utility system (the “*System*”) that distributes and furnishes electric energy to consumers located within the established service area of the System. The Participant will use all of the electric energy from its Entitlement Share in a Qualified Use.

8. The Participant has previously executed the Utah Associated Municipal Power Systems Amended and Restated Agreement for Joint and Cooperative Action dated as of March 20, 2009, and all amendments thereof and supplements thereto (the “*Joint Action Agreement*”) and that certain Power Pooling Agreement (the “*Pooling Agreement*”) between the Participant and UAMPS relating to the power pool administered by UAMPS. The Joint Action Agreement and the Pooling Agreement are each in full force and effect and constitute the legal, valid and binding agreements of the Participant.

9. «Rep» has been duly appointed by the Governing Body as the Participant’s representative to UAMPS.

10. The representations and warranties of the Participant in Section 30 of the Power Sales Contract are true and correct on and as of the date of this certificate.

11. The Participant acknowledges that the information it provides under Section 31(c) and (d) of the Power Sales Contract may be used by UAMPS in connection with the issuance of Bonds to finance the Development Costs and the Cost of Acquisition and Construction of the Project and to provide necessary information to lenders and other interested parties.

Dated: _____.

[PARTICIPANT]

By _____
[Executive Officer]

By _____
[Clerk/Recorder/Secretary]

[Seal]

EXHIBIT A

[Form of Contract Resolution]

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AND APPROVING THE POWER COUNTY
POWER PROJECT POWER SALES CONTRACT WITH UTAH ASSOCIATED
MUNICIPAL POWER SYSTEMS; AND RELATED MATTERS.

***** ***** *****

WHEREAS, _____ (the "*Participant*") is a member of Utah Associated Municipal Power Systems ("*UAMPS*") pursuant to the provisions of the Utah Associated Municipal Power Systems Amended and Restated Agreement for Joint and Cooperative Action, as amended (the "*Joint Action Agreement*");

WHEREAS, one of the purposes of UAMPS under the Joint Action Agreement is the acquisition and construction of electric generating, transmission and related facilities in order to secure reliable, economic sources of electric power and energy for its members;

WHEREAS, UAMPS proposes to acquire and construct a combined cycle natural gas-fired electric generating facility plant known as the "Power County Power Project" (the "*Project*") to be located at a site in Power County, Idaho, and to sell the capacity and output of the Project pursuant to the Power County Power Project Power Sales Contracts (the "*Power Sales Contracts*") between UAMPS and the Participants (capitalized terms used and not defined herein have the meanings assigned to them in the Power Sales Contracts);

WHEREAS, the Governing Body has reviewed (or caused to be reviewed on its behalf) certain descriptions and summaries of the Project and the Power Sales Contracts, and representatives of the Participant have participated in discussions and conferences with UAMPS and others regarding the Project and have received from UAMPS all requested information and materials necessary for the decision of the Governing Body to authorize and approve the Power Sales Contract;

WHEREAS, the Participant acknowledges that the obligation of the Participant to make the payments provided for in the Power Sales Contract will be a special obligation of the Participant and an operating expense of the Participant's electric system, payable from the revenues and other available funds of the electric system, and that the Participant shall be unconditionally obligated to make the payments required under the Power Sales Contract whether or not the Project or any portion thereof is acquired, constructed, completed, operable or operating and notwithstanding the suspension, interruption, interference, reduction or curtailment of the output thereof for any reason whatsoever; and

WHEREAS, the Governing Body has reviewed (or caused to be reviewed on its behalf) its current and projected needs for electric power and energy and information with respect to the Project prepared by UAMPS setting forth, among other things, preliminary estimates of the Development Costs, the Cost of Acquisition and Construction, the estimated timeline for the development and construction of the Project and related matters, and now desires to authorize and approve the Power Sales Contract;

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of _____, as follows:

Section 1. Approval of Power Sales Contract; Development Share. (a) The Power Sales Contract, in substantially the form attached hereto as *Annex A*, is hereby authorized and approved, and the [Executive Officer] is hereby authorized, empowered and directed to execute and deliver the Power Sales Contract on behalf of the Participant, and the [Clerk/Recorder/Secretary] is hereby authorized, empowered and directed to attest and countersign such execution and to affix the corporate seal of the Participant to the Power Sales Contract, with such changes to the Power Sales Contract from the form attached hereto as *Annex A* as shall be necessary to conform to the Participant's legal status, to complete the form of the Power Sales Contract or to correct any minor irregularities or ambiguities therein and as are approved by the [Executive Officer], his execution thereof to constitute conclusive evidence of such approval.

(b) A Development Share representing _____ kW of capacity in the Project is hereby authorized and approved. The Participant acknowledges that (i) its Development Share may be increased to provide for a full allocation of the Project Output and (ii) by virtue of its Development Share, the Participant will have an Entitlement Share with the same amount of Electric Power as its Development Share from and after the Completion of Development through the remaining term of the Power Sales Contract, all as provided in the Power Sales Contract.

Section 2. Participant's Representative. (a) The appointment of _____ as the Participant's Representative to UAMPS and of _____ and _____ as alternate Representatives is hereby confirmed.

(b) Such Representative (or, in his or her absence, such alternate(s)) is hereby delegated full authority to (i) approve any appendix to the Pooling Agreement between UAMPS and the Participant that may be necessary or desirable in connection with the utilization of the Participant's Entitlement Share, and (ii) act on all matters that may come before the Project Management Committee established by the Power Sales Contract, and shall be responsible for reporting regularly to the Governing Body regarding the activities of the Project Management Committee.

Section 3. Compliance with Tax Covenants. The Participant agrees in the Power Sales Contract that it will apply all of the electric power and energy acquired under the Power Sales Contract to a Qualified Use and that it will not take or omit to take any action which could adversely affect the Tax Status of any Bond or Bonds theretofore issued or thereafter issuable by UAMPS. In furtherance of that agreement, the Governing Body of the Participant hereby agrees that it will observe and comply with such instructions as may be provided from time to time by UAMPS with respect to the Qualified Use of the electric power and energy acquired under the Power Sales Contract.

Section 4. Further Authority. (a) The [Executive Officer] and the [Clerk/Recorder/Secretary] are hereby authorized, empowered and directed to (i) execute the Certificate of the Participant in substantially the form attached as EXHIBIT III to the Power Sales Contract and to deliver the same to UAMPS, and (ii) from time thereafter and upon the request of UAMPS, execute the Bring-Down Certificate of the Participant in substantially the form attached as *Exhibit IV* to the Power Sales Contract and to deliver the same to UAMPS.

(b) The Participant's legal counsel is hereby authorized, empowered and directed to (i) execute the Opinion of Counsel to the Participant in substantially the form attached as EXHIBIT V to the Power Sales Contract and to deliver the same to UAMPS, and (ii) from time thereafter and upon the request of UAMPS, execute the Bring-Down Opinion of Counsel to the Participant in substantially the form attached as EXHIBIT VI to the Power Sales Contract and to deliver the same to UAMPS.

Section 5. Miscellaneous; Effective Date. (a) This resolution shall be and remain irrevocable until the expiration or termination of the Power Sales Contract in accordance with its terms.

(b) All previous acts and resolutions in conflict with this resolution or any part hereof are hereby repealed to the extent of such conflict.

(c) In case any provision in this resolution shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(d) This resolution shall take effect immediately upon its adoption and approval.

ADOPTED AND APPROVED this ___ day of _____, _____.

[PARTICIPANT]

By _____

ATTEST:

[Secretary/Clerk/Recorder]

[SEAL]

ANNEX A

[Attach Power Sales Contract]

EXHIBIT IV

FORM OF BRING DOWN CERTIFICATE OF THE PARTICIPANT

STATE OF _____)
)
COUNTY OF «COUNTY»)

The undersigned hereby certify that they are the [Executive Officer] and [Clerk/Recorder/Secretary] of _____ (the “Participant”), a member of Utah Associated Municipal Power Systems (“UAMPS”), and that as such they are authorized to execute this Certificate on behalf of the Participant and hereby certify as follows:

1. This certificate has been executed in connection with the issuance by UAMPS of its Power County Power Project Revenue Bonds, _____ Series _____ (the “Bonds”), as more fully described in the Official Statement of UAMPS dated _____ (the “Official Statement”) prepared in connection with the offering and sale of the Bonds.

2. Pursuant to Section 31(f) of the Power County Power Project Power Sales Contract, dated as of December 1, 2024, between the Participant and UAMPS, in connection with the execution and delivery of the Power County Power Project, the undersigned executed and delivered a certificate dated _____ (the “Original Certificate”). The undersigned hereby reaffirm the statements made in the Original Certificate on and as of the date hereof. Capitalized terms used and not otherwise defined herein have the meanings assigned to them in the Original Certificate.

[3. The undersigned have reviewed the statements and information relating to the Participant and its electric system contained in APPENDIX __ to the Preliminary Official Statement and the Official Statement under the caption, “THE PARTICIPANTS”, and such statements and information, as of the respective dates of the Preliminary Official Statement and the Official Statement and as of the date hereof, (a) were and are true and correct in all material respects and fairly and accurately present the financial and operating position of the System for the periods and as of the dates presented and (b) did not and do not omit to state a material fact necessary in order to make such statements not misleading. Since the dates of the Preliminary Official Statement and the Official Statement, there has been no change in the business, financial position, results of operations or condition of the Participant or the System that would (x) materially affect the accuracy and completeness of such statements and information or (y) materially and adversely affect the ability of the Participant to meet its obligations under the Power Sales Contract.]

Dated this _____ day of _____.

[PARTICIPANT]

By _____
Its _____

[SEAL]

EXHIBIT V

FORM OF OPINION OF COUNSEL TO THE PARTICIPANT

Utah Associated Municipal Power Systems
155 North 400 West, Suite 480
Salt Lake City, UT 84103

Ladies and Gentlemen:

I have acted as counsel to _____ (the “*Participant*”) in connection with the Power County Power Project Power Sales Contract, dated as of December 1, 2024 (the “*Power Sales Contract*”), between the Participant and Utah Associated Municipal Power Systems (“*UAMPS*”). I have been advised that, pursuant to the Power Sales Contract, UAMPS has undertaken the Project and has sold all of the Electric Energy from the Project to the Participant and others that have executed Power Sales Contracts with UAMPS.

This opinion is being delivered to you pursuant to Section 31(f) of the Power Sales Contract in connection with the execution and delivery of the Power Sales Contract. Capitalized terms used and not defined herein have the meanings assigned to such terms in the Power Sales Contract.

As counsel to the Participant, I have examined (i) those documents relating to the existence, organization and operation of the Participant and its electric utility system (the “*System*”), (ii) all resolutions and proceedings of the Participant relating to the due authorization, execution and delivery by the Participant of the Power Sales Contract, (iii) an executed counterpart of the Power Sales Contract, and (iv) such other documents, information, facts and matters of law as are necessary for me to render the opinions contained herein.

Based upon the foregoing, I am of the opinion that:

1. The Participant is a _____ duly organized and validly existing under the laws State of _____ (the “*State*”) and is qualified to own, operate and furnish electric service through the System.

2. The Participant has full legal right, power and authority to enter into the Power Sales Contract and to carry out and consummate all of the transactions contemplated thereby, and the Participant has complied with the provisions of applicable law which would be a condition precedent to entering into the Power Sales Contract or carrying out and consummating such transactions.

3. Each of the Power Sales Contract, the Joint Action Agreement and the Pooling Agreement has been duly authorized, executed and delivered by the Participant and constitutes the legal, valid and binding obligation of the Participant and is enforceable under the present law of the State in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization or other laws affecting creditors' rights generally or usual equity principles in the event equitable remedies should be sought.

4. Pursuant to the Power Sales Contract, the Participant's obligation to make payments to UAMPS under the Power Sales Contract is a special obligation payable solely from the revenues and other available income of the System initially as a cost of the development of a new power supply resource and from and after the commercial operation of the Project as a cost of purchased electric energy, in each case as an operating expense of the System. The application of the revenues and other available funds of the System to make such payments is not subject to any prior lien, encumbrance or restriction.

5. The Participant has obtained all Required Approvals.

6. There is no pending or, to my knowledge, threatened, action or proceeding affecting the Participant (nor to my knowledge is there any basis therefor), which (a) purports to affect the authorization, legality, validity or enforceability of the Power Sales Contract, the Joint Action Agreement or the Pooling Agreement or (b) involves the possibility of any judgment or liability, not fully covered by insurance, which may result in any material adverse change in the business, affairs, properties or assets, or in the condition, financial or otherwise, of the System.

7. The execution, delivery and performance by the Participant of the Power Sales Contract will not conflict with or constitute a breach of or default under any agreement, indenture, bond, note, resolution or other instrument to which the Participant is a party or by which it or the properties of the System is bound or affected, or any applicable law, ruling, regulation, ordinance, judgment, order or decree to which the Participant (or any of its officers in their respective capacities as such) or its properties is subject.

8. No event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a material default or event of default under any agreement, indenture, bond, note, resolution or other instrument to which the Participant is a party or by which it or the properties of the System is bound or affected, which breach or default would have a material adverse impact on UAMPS' ownership or operation of the Project or the ability of the Participant to fully perform its obligations under the Power Sales Contract.

9. The Participant has lawful authority to fix and collect rates, fees and charges for the services provided by the System. Such rates, fees and charges for utility services provided to customers located within the corporate boundaries of the Participant are not subject to regulation by any authority of the State or the United States and have been duly and validly adopted by the Participant and are in full force and effect.

10. The Participant has lawful authority to own the System and, to my knowledge, the Participant (a) has good and merchantable title to the properties comprising the System and (b) holds all permits, licenses and approvals necessary for the operation of the System.

I hereby authorize Chapman and Cutler LLP, as bond counsel, to rely on this opinion as though addressed to it.

Respectfully submitted,

EXHIBIT VI

FORM OF BRING-DOWN OPINION OF COUNSEL TO THE PARTICIPANT

Utah Associated Municipal Power Systems
155 North 400 West, Suite 480
Salt Lake City, UT 84103

Ladies and Gentlemen:

I have acted as counsel to _____ (the "*Participant*") in connection with the Power County Power Project Power Sales Contract dated as of December 1, 2024 (the "*Power Sales Contract*") between the Participant and Utah Associated Municipal Power Systems ("*UAMPS*"). I have been advised that UAMPS has made arrangements for the issuance and sale on the date hereof of its Power County Power Project Revenue Bonds, _____ Series _____ (the "*Bonds*").

Pursuant to Section 31(f) of the Power Sales Contract in connection with the execution and delivery of the Power County Power Project, I rendered to UAMPS an approving legal opinion, dated _____ (the "*Prior Opinion*"), with respect to the Participant. In connection with the issuance and sale by UAMPS of the Bonds, I hereby reaffirm the Prior Opinion, as though it was dated the date hereof, in the form it was so rendered on _____.

[In addition to the foregoing, I have examined (i) the material describing the Participant and its electric system contained in APPENDIX A to each of the Preliminary Official Statement (together with any supplements or amendments thereto as of the date hereof, the "*Preliminary Official Statement*") and the Official Statement (together with any supplements or amendments thereto as of the date hereof, the "*Official Statement*") of UAMPS relating to the Bonds and (ii) such other documents, information, facts and matters of law as are necessary for me to render the following opinion. Based upon the foregoing, I am of the opinion that the statements and information with respect to the Participant and its electric system contained in APPENDIX A to the Preliminary Official Statement and the Official Statement were true and correct in all material respects as of the respective dates of the Preliminary Official Statement and the Official Statement and are true and correct in all material respects as of the date hereof, and no facts have come to my attention which would lead me to believe that such statements and information contained or contain any untrue statement of a material fact or omitted to state or omit to state any material fact necessary in order to make such statements, in the light of the circumstances under which they were made, not misleading; *provided, however*, that I express no view with respect to the tabular, financial and statistical information included therein.]

I hereby authorize the reference to this opinion and to the Prior Opinion set forth under the caption, "APPROVAL OF LEGAL PROCEEDINGS," in the Official Statement. I hereby further authorize [Bond Counsel] and [other reliance parties] to rely on the Prior Opinion and on this opinion in each case as though addressed to them.

Respectfully submitted,

CERTIFICATE OF PARTICIPANT

STATE OF UTAH)
)
COUNTY OF WASATCH)

The undersigned hereby certify that they are the Chairman and Secretary of Heber Light & Power Company, Utah (the “*Participant*”), a member of Utah Associated Municipal Power Systems (“*UAMPS*”), and that as such they are authorized to execute this Certificate on behalf of the Participant and hereby certify as follows:

1. This Certificate has been executed pursuant to Section 31(f) of the Power County Power Project Power Sales Contract, dated as of December 1, 2024 (the “*Power Sales Contract*”), between the Participant and UAMPS, in connection with the execution and delivery of the Power Sales Contract. Capitalized terms used and not otherwise defined herein have the meanings assigned to them in the Power Sales Contract.

2. The Participant is a energy services interlocal entity, duly created and validly existing under the laws of the State of Utah (the “*State*”), and is governed by a Board of Directors (the “*Governing Body*”).

3. Attached hereto as *Exhibit A* is a true, complete and correct copy of a resolution authorizing the execution and delivery of the Power Sales Contract and related matters (the “*Contract Resolution*”). The Contract Resolution was duly adopted by a majority of the Governing Body present and voting at a public meeting of the Governing Body held on _____, at which a quorum was present and acted throughout.

4. The meeting of the Governing Body at which the Contract Resolution was adopted was duly called, noticed and held in conformity with applicable laws of the State and procedural rules of the Governing Body. The Contract Resolution is in full force and effect and has not been amended, modified, repealed or supplemented.

5. The names of the Chairman and the Secretary authorized to execute and deliver the Power Sales Contract on behalf of the Participant are as follows:

NAME	OFFICE
Heidi Franco	Chairman
_____	Secretary

6. (a) No petition was filed with the Participant or any of its officers seeking to refer the Contract Resolution to the electors of the Participant in accordance with the provisions of state law; and (b) no litigation has been instituted, is pending or has been threatened to require a referendum election on the Contract Resolution.

7. The Participant owns and operates an electric utility system (the "*System*") that distributes and furnishes electric energy to consumers located within the established service area of the System. The Participant will use all of the electric energy from its Entitlement Share in a Qualified Use.

8. The Participant has previously executed the Utah Associated Municipal Power Systems Amended and Restated Agreement for Joint and Cooperative Action dated as of March 20, 2009, and all amendments thereof and supplements thereto (the "*Joint Action Agreement*") and that certain Power Pooling Agreement (the "*Pooling Agreement*") between the Participant and UAMPS relating to the power pool administered by UAMPS. The Joint Action Agreement and the Pooling Agreement are each in full force and effect and constitute the legal, valid and binding agreements of the Participant.

9. Jason Norlen has been duly appointed by the Governing Body as the Participant's representative to UAMPS.

10. The representations and warranties of the Participant in Section 30 of the Power Sales Contract are true and correct on and as of the date of this certificate.

11. The Participant acknowledges that the information it provides under Section 31(c) and (d) of the Power Sales Contract may be used by UAMPS in connection with the issuance of Bonds to finance the Development Costs and the Cost of Acquisition and Construction of the Project and to provide necessary information to lenders and other interested parties.

Dated: _____.

HEBER LIGHT & POWER COMPANY, UTAH

By _____
Chairman

By _____
Secretary

[SEAL]

UAMPS Natural Gas Project Analysis

November 2024



UAMPS

Subscription Recommendation

**8.69 MW subscription for Millard
County Peaker**

**16.40 MW subscription for Power
County Base Load**

Natural Gas Statistics

Peaker
Baseload

Capacity

200 MW

360 MW

COD

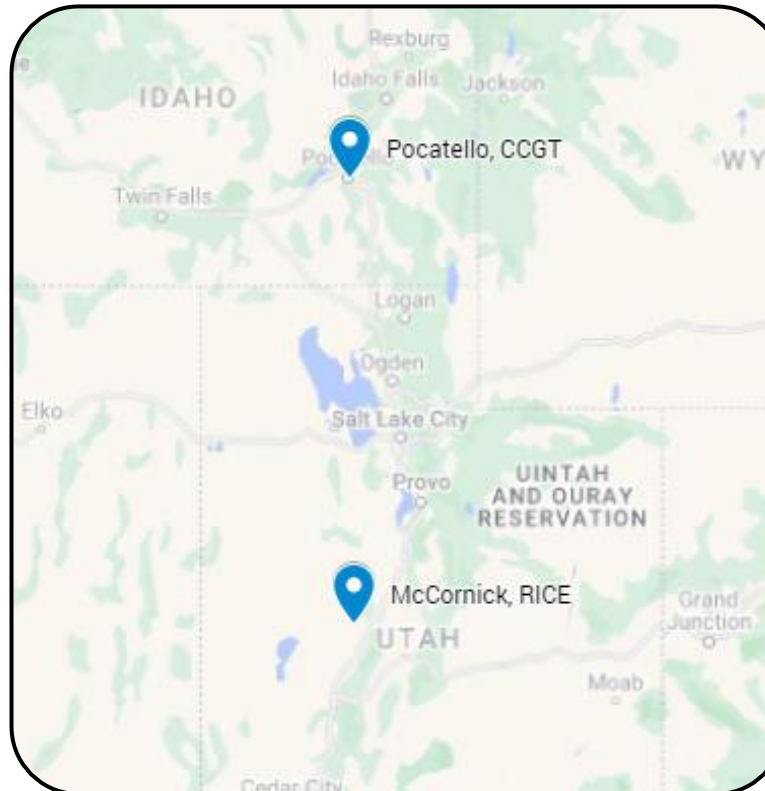
2029

2031

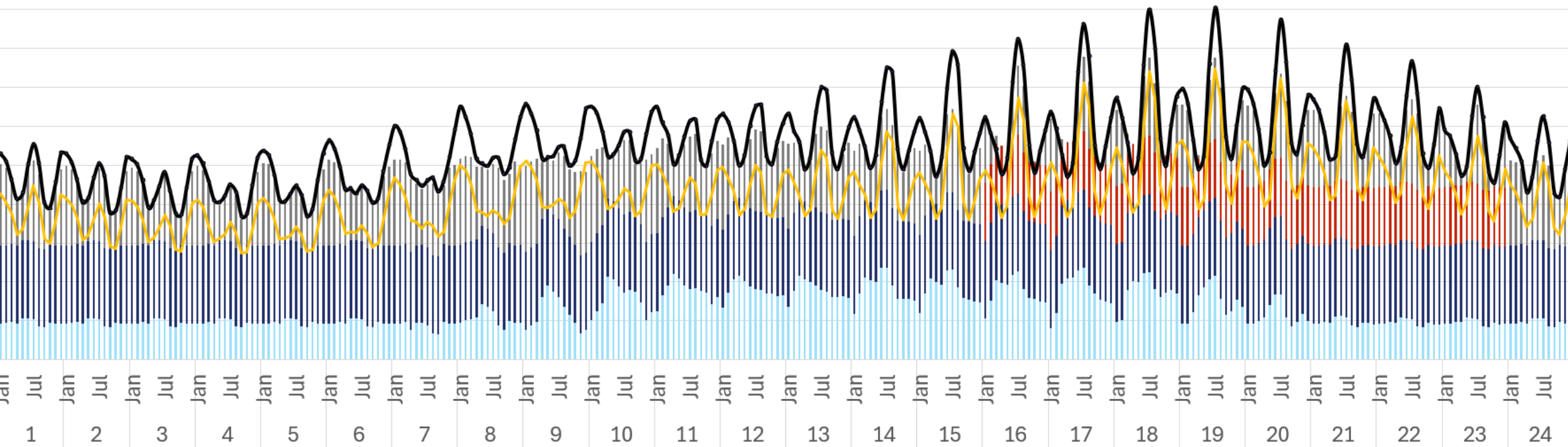
Technology

Gas-Fired Recip Engines

Combined Cycle



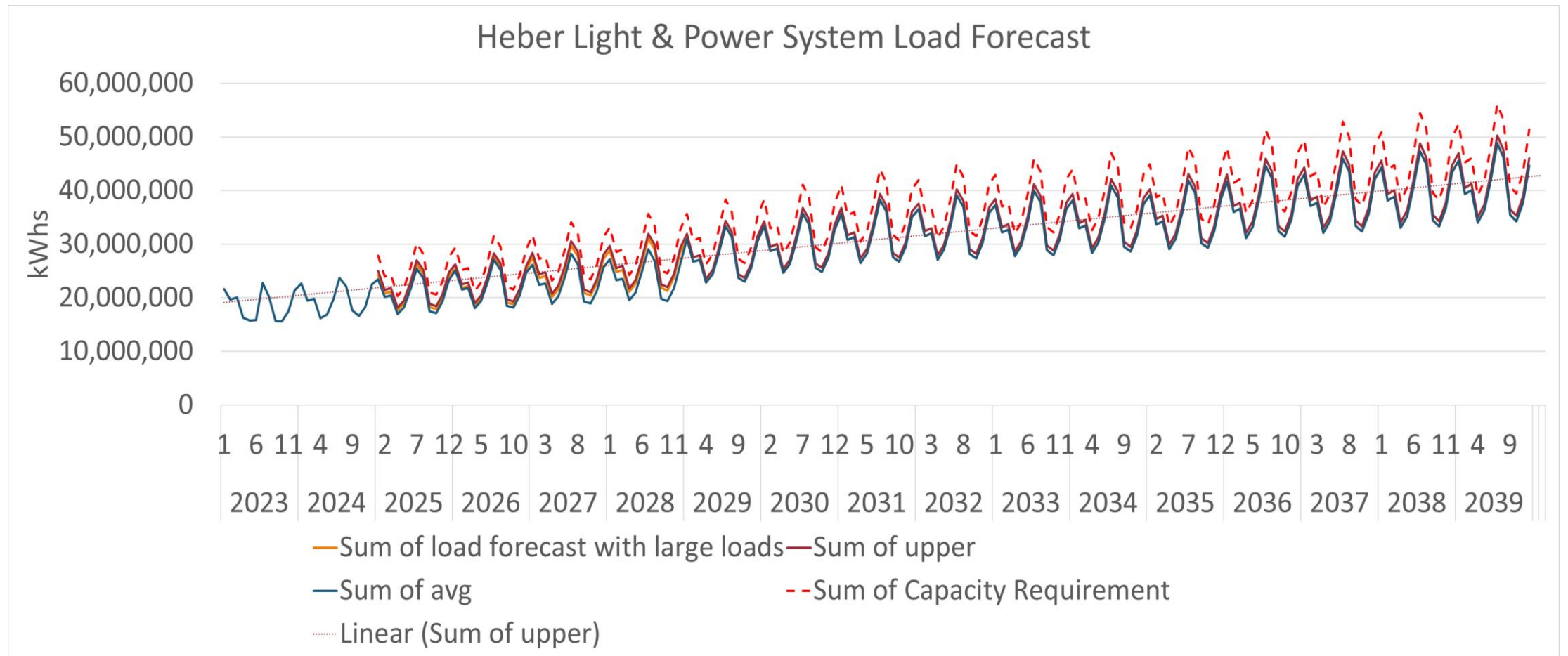
Average Hourly Resources vs Load Forecast + 15 Years



Load Forecast

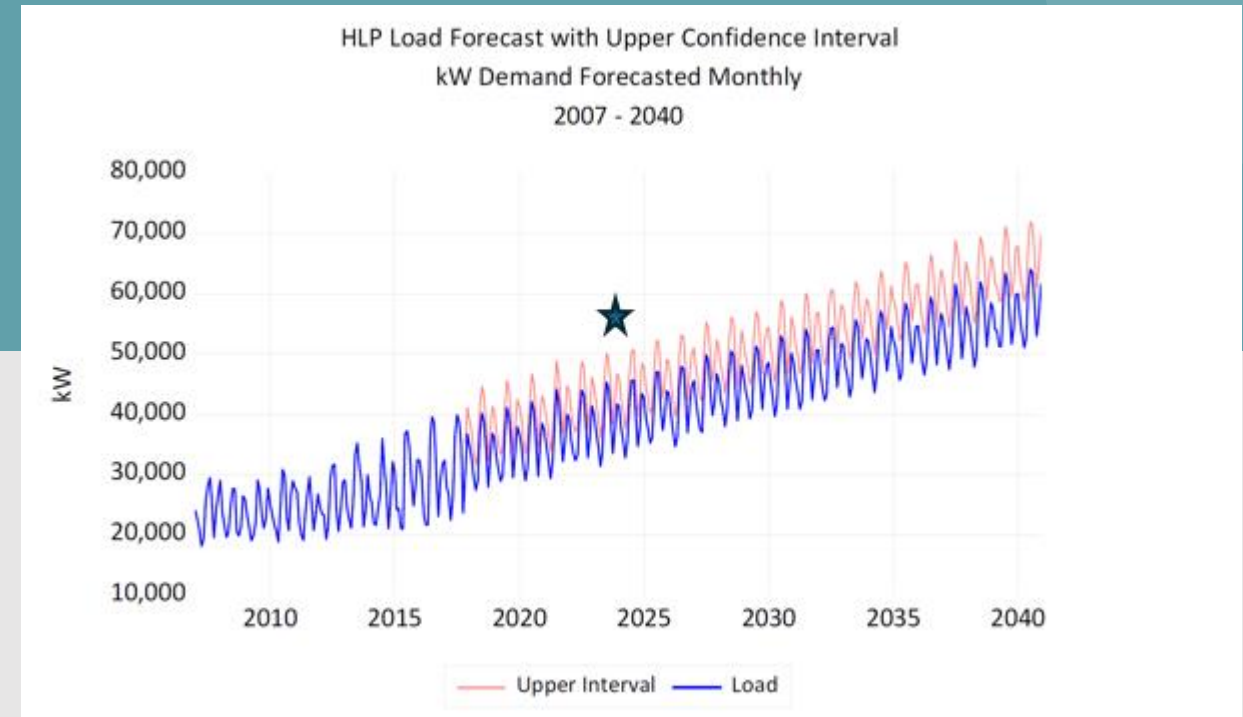
15 Year Forecast

HL&P System Load Forecast

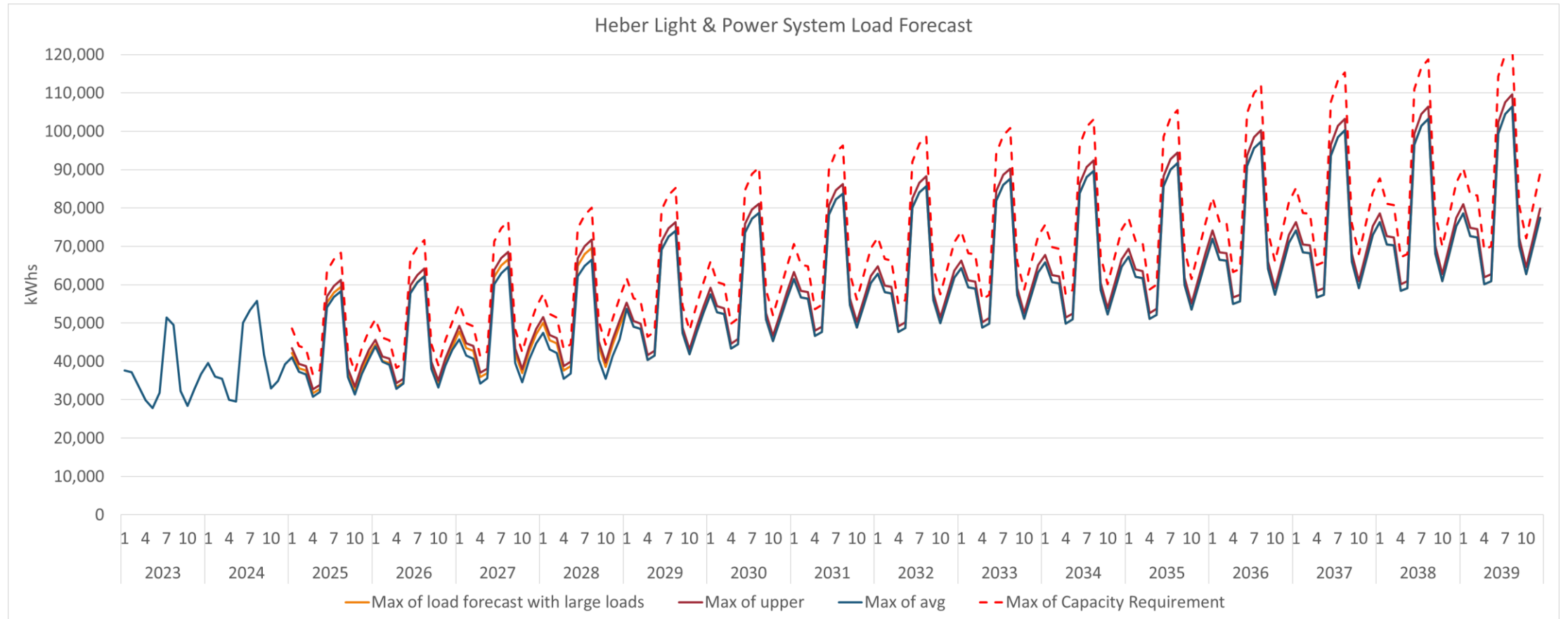


2018 UFS Load Forecast

- 2023 actual energy purchases exceeded the UFS forecast by 4%
- 2024 peak demand exceeded the UFS forecast by 22%



HL&P Peak Demand Forecast

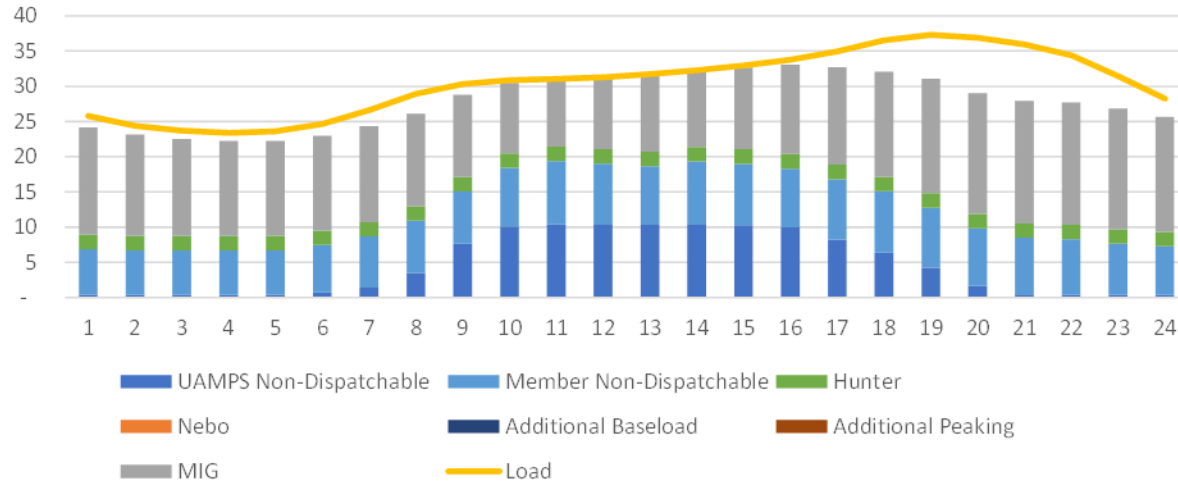




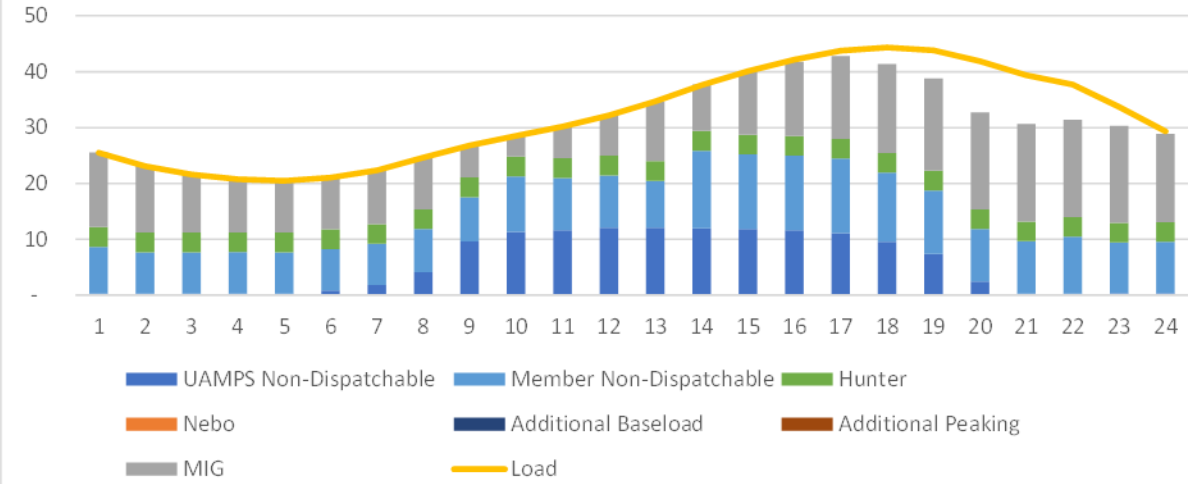
Resource Planning

Generation without McCornick + American Falls

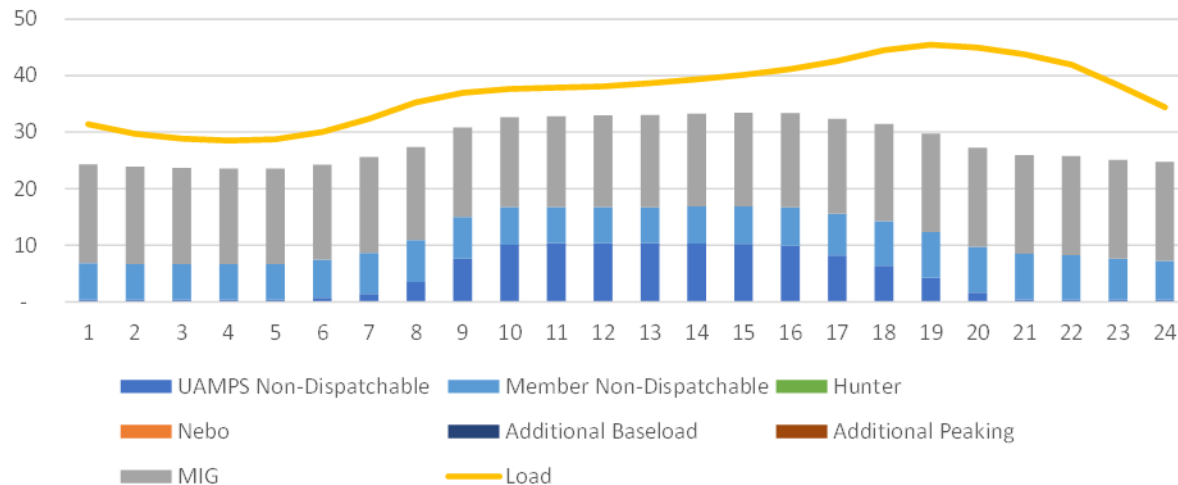
Annual Hourly Power Generation vs Load (+5 years)



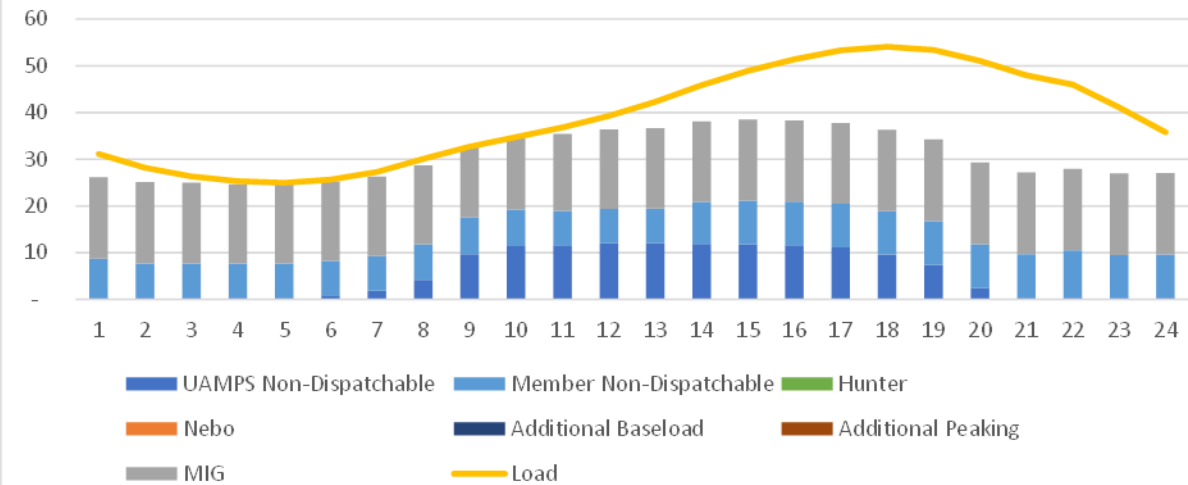
Peak Month Hourly Power Generation vs Load (+5 years)



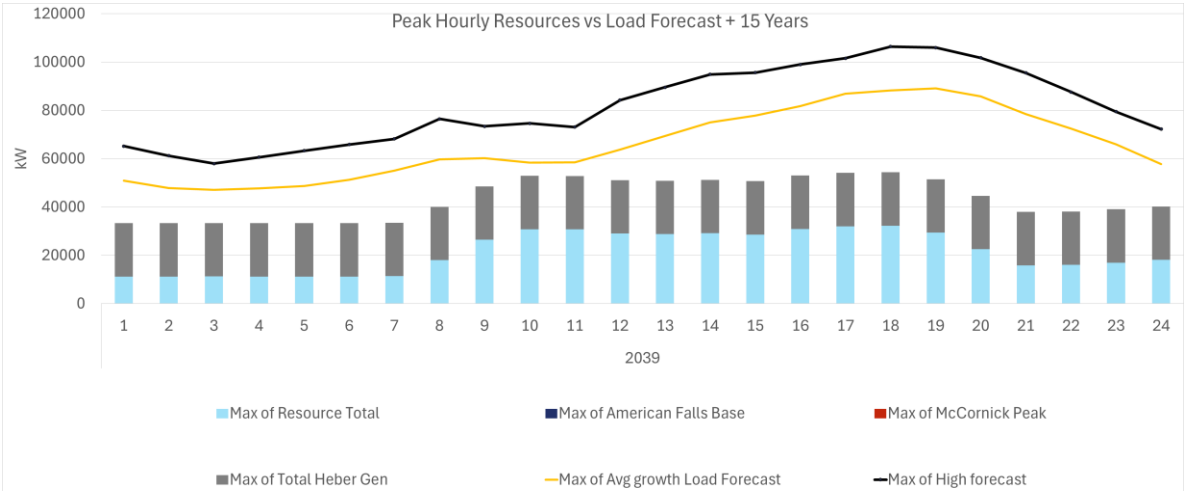
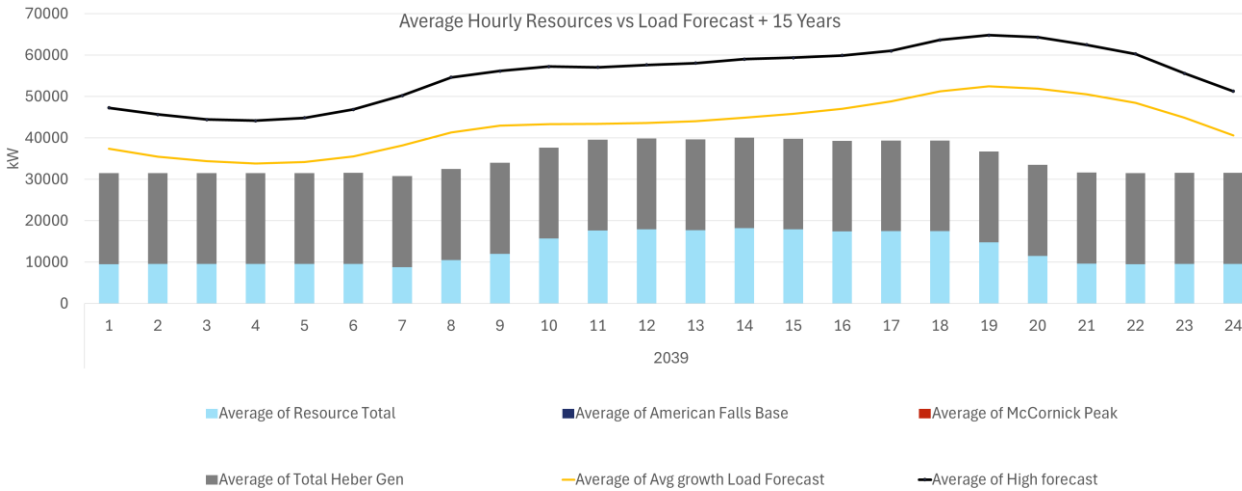
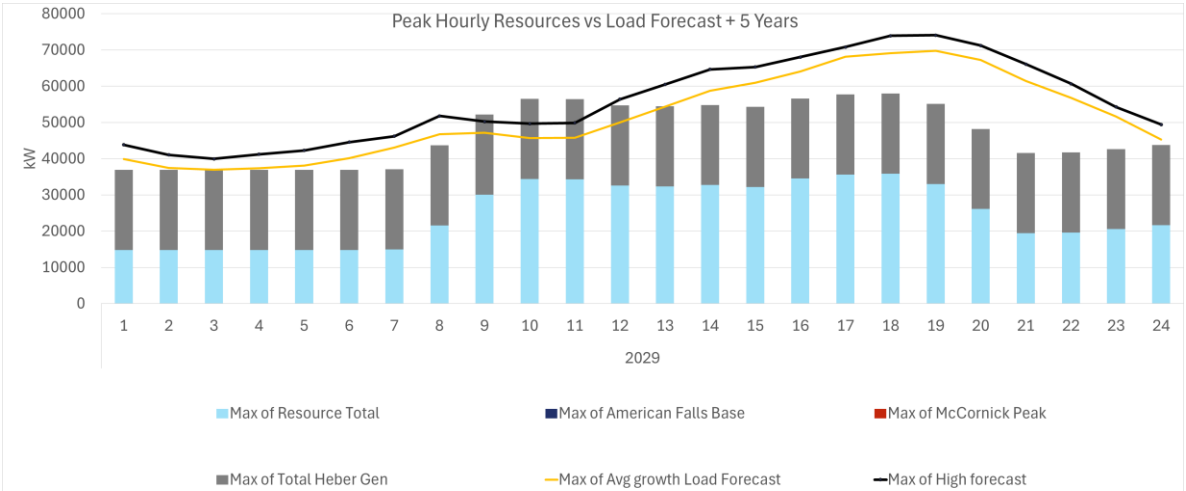
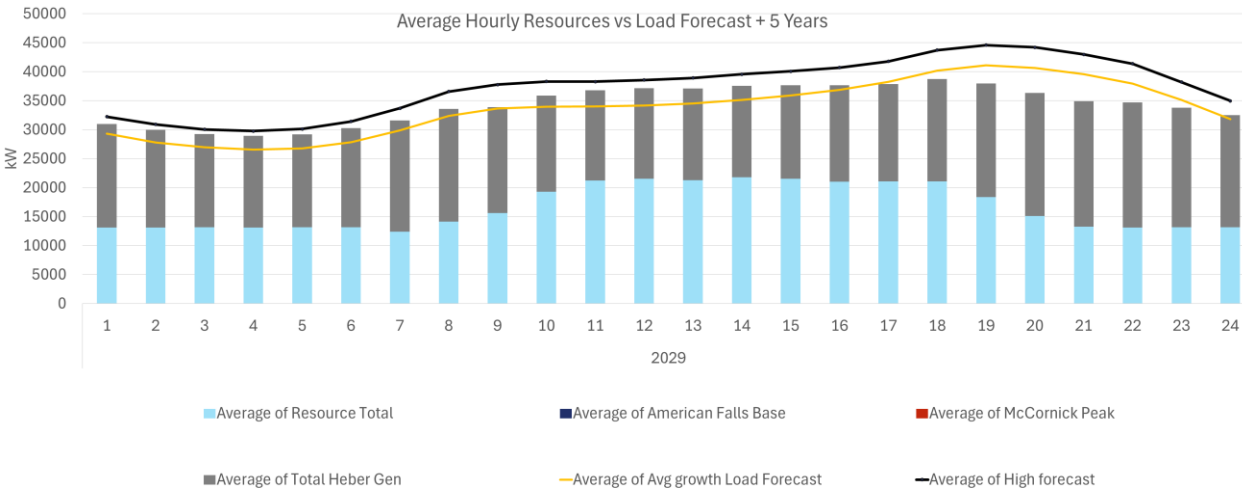
Annual Hourly Power Generation vs Load (+15 years)



Peak Month Hourly Power Generation vs Load (+15 years)

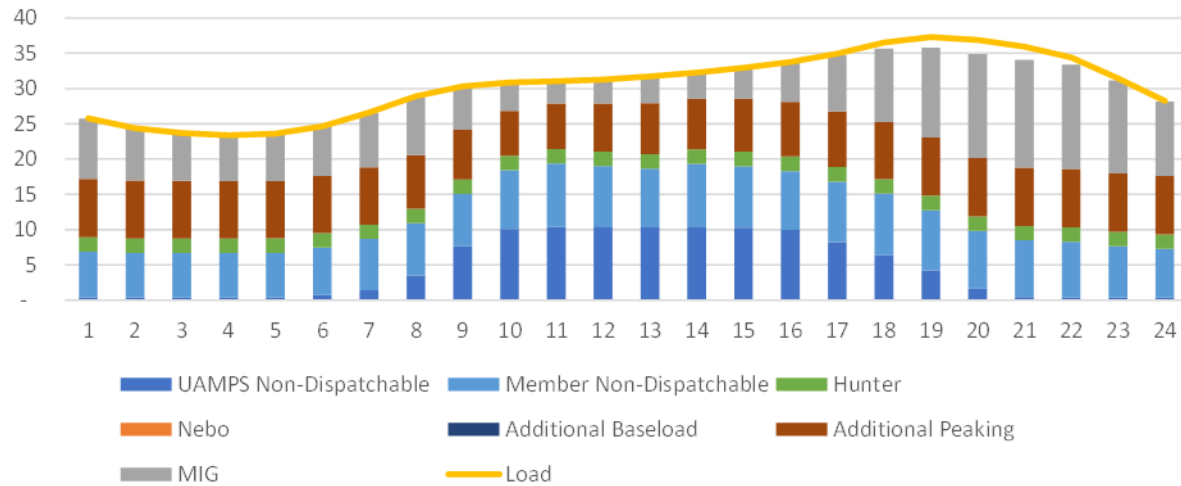


Resources and Heber Gen Only

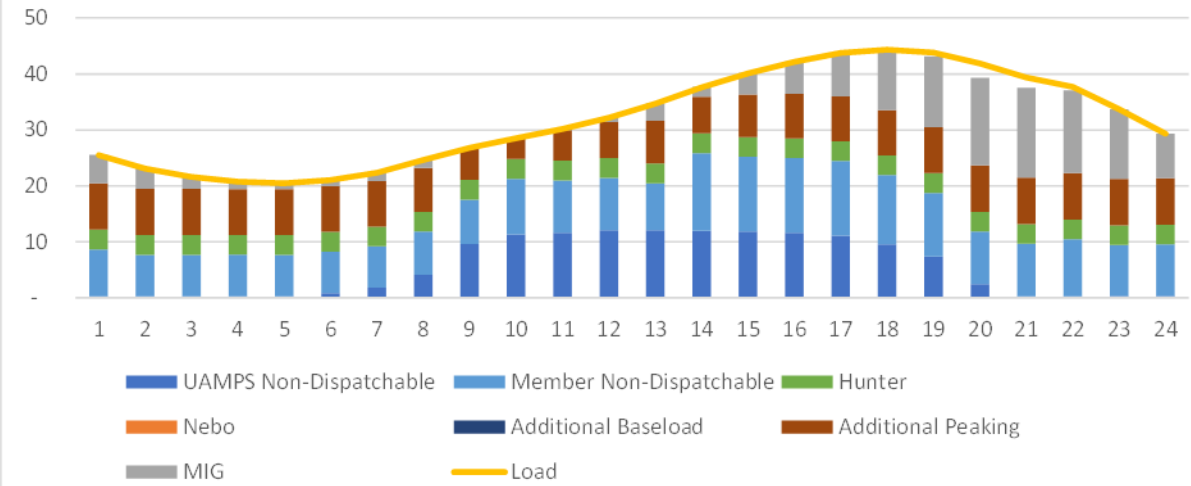


Generation with McCornick + American Falls

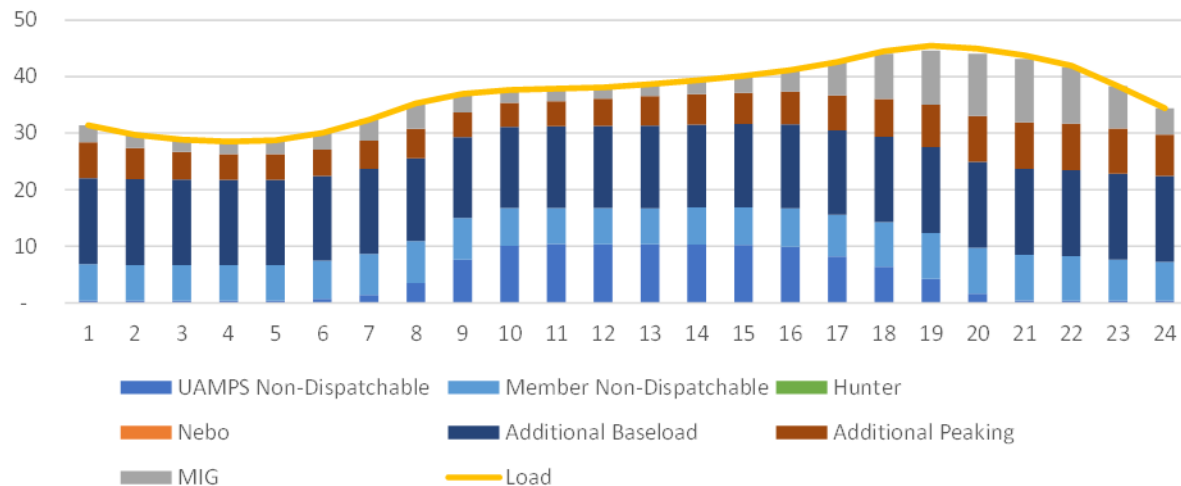
Annual Hourly Power Generation vs Load (+5 years)



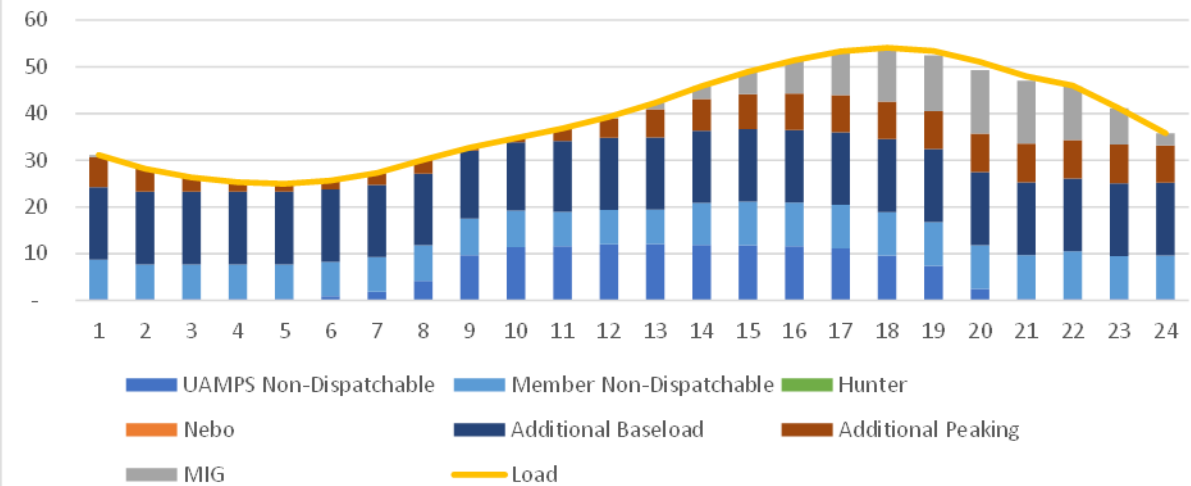
Peak Month Hourly Power Generation vs Load (+5 years)



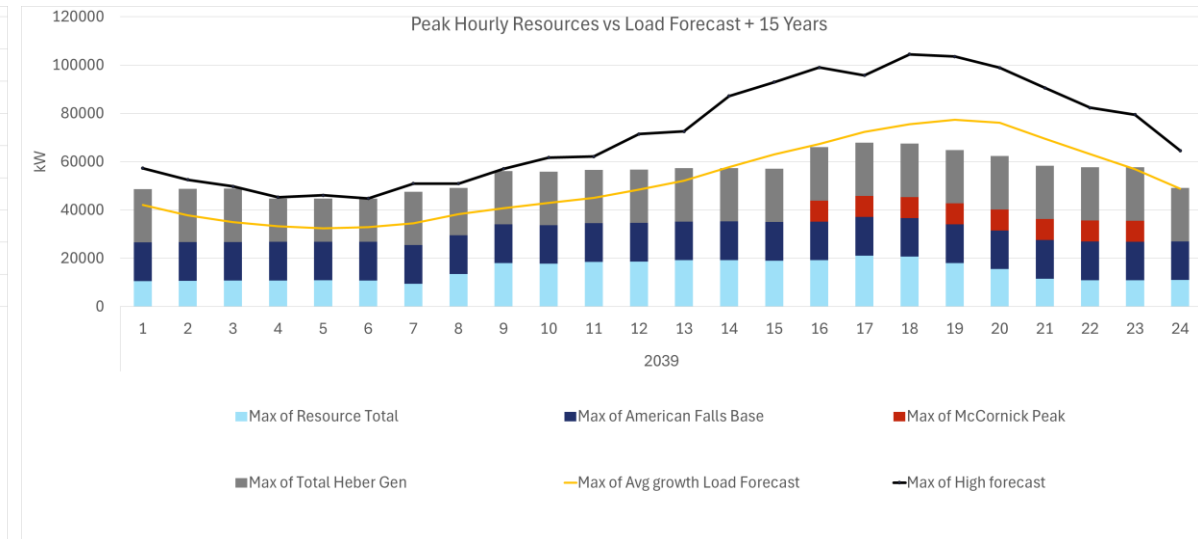
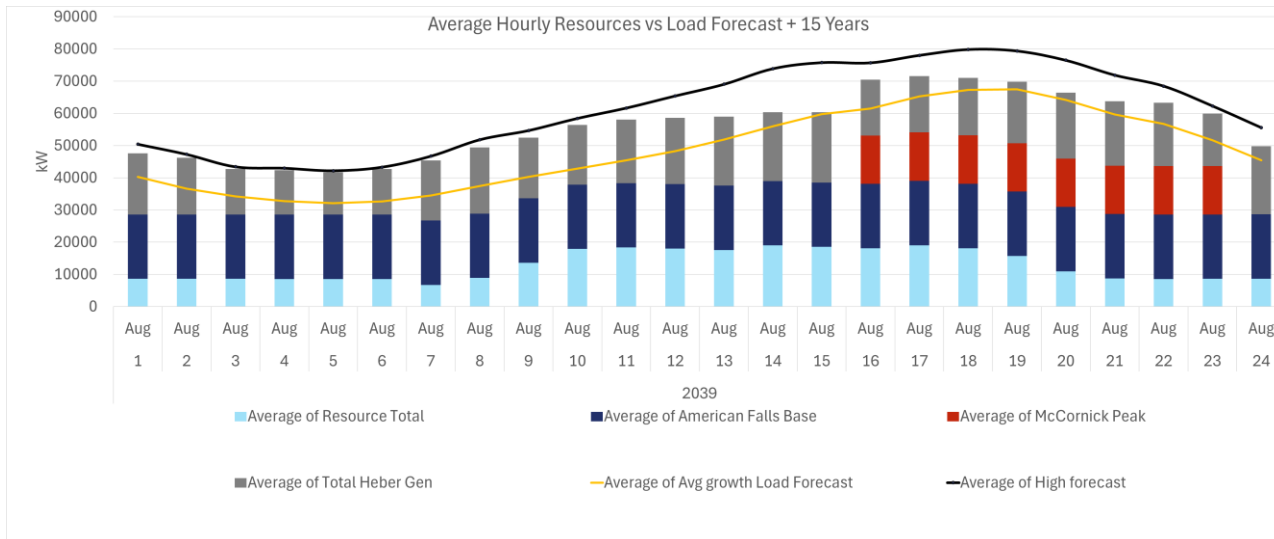
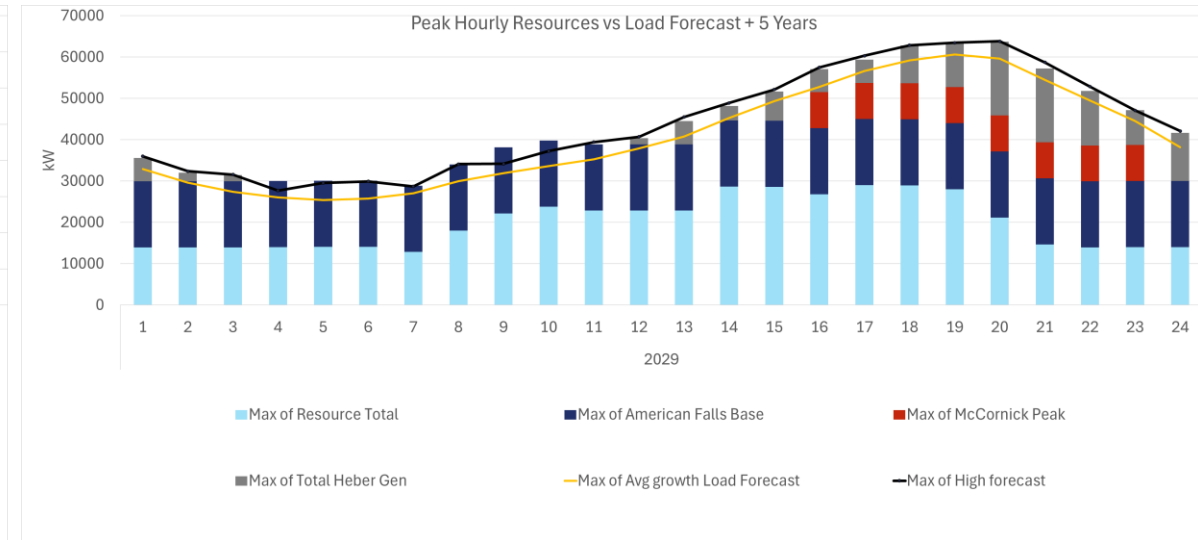
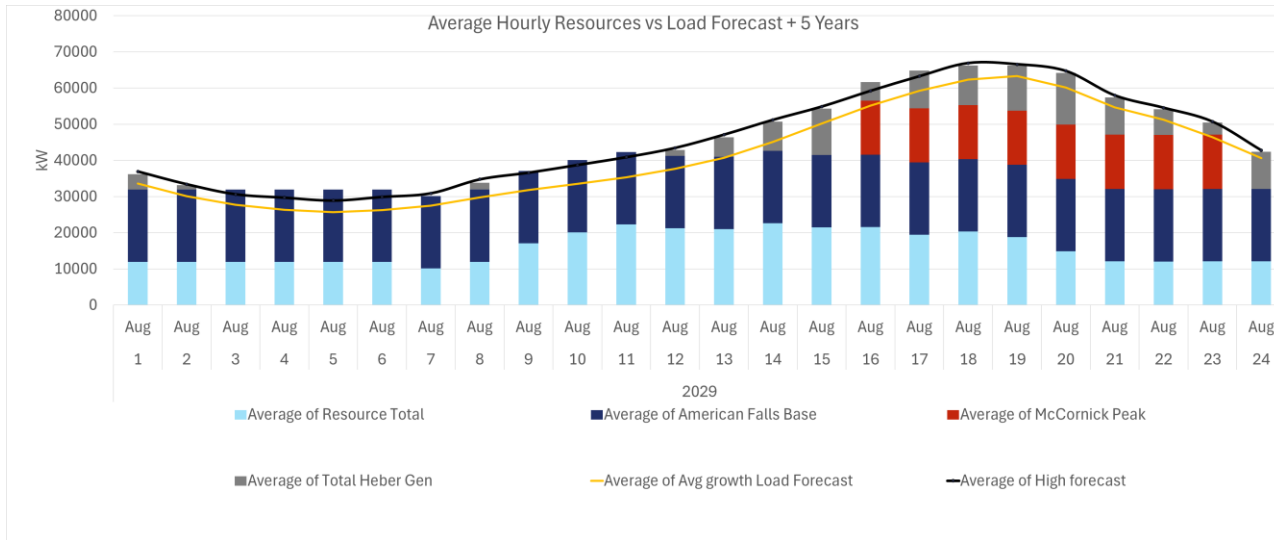
Annual Hourly Power Generation vs Load (+15 years)



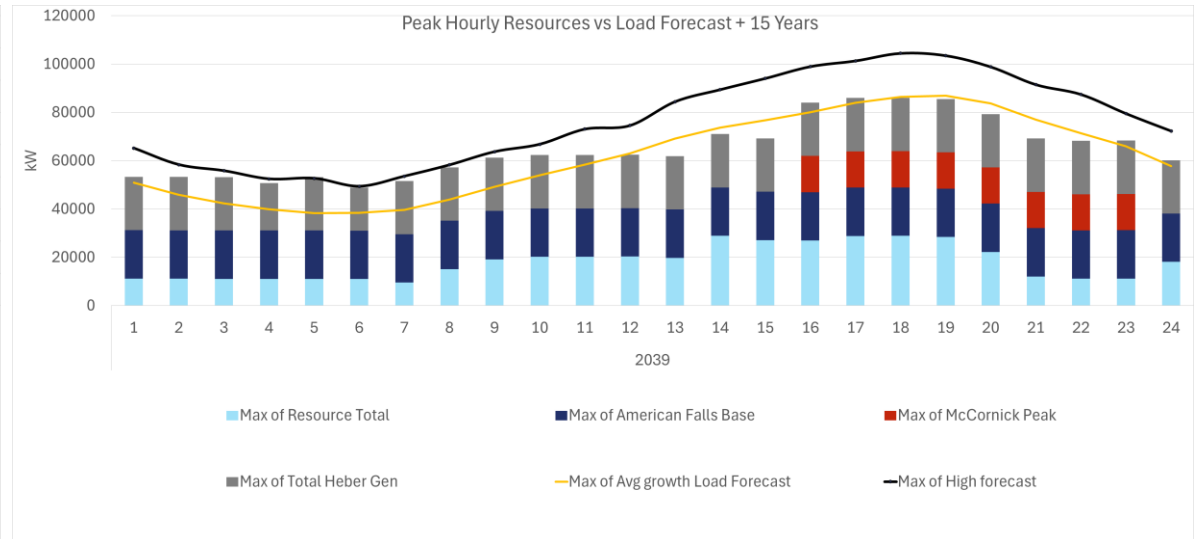
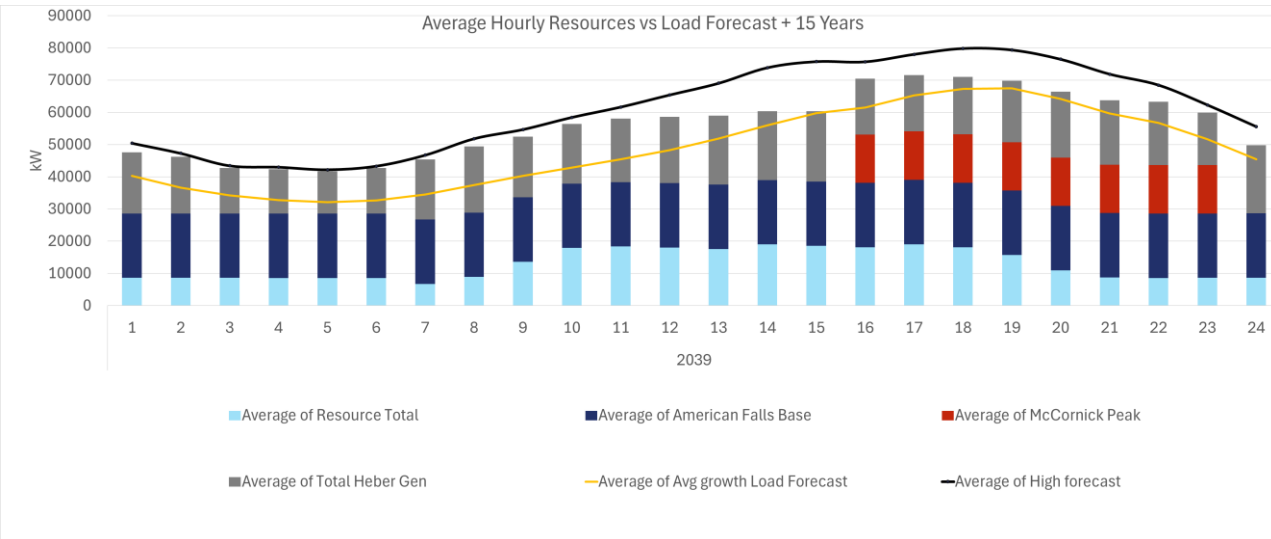
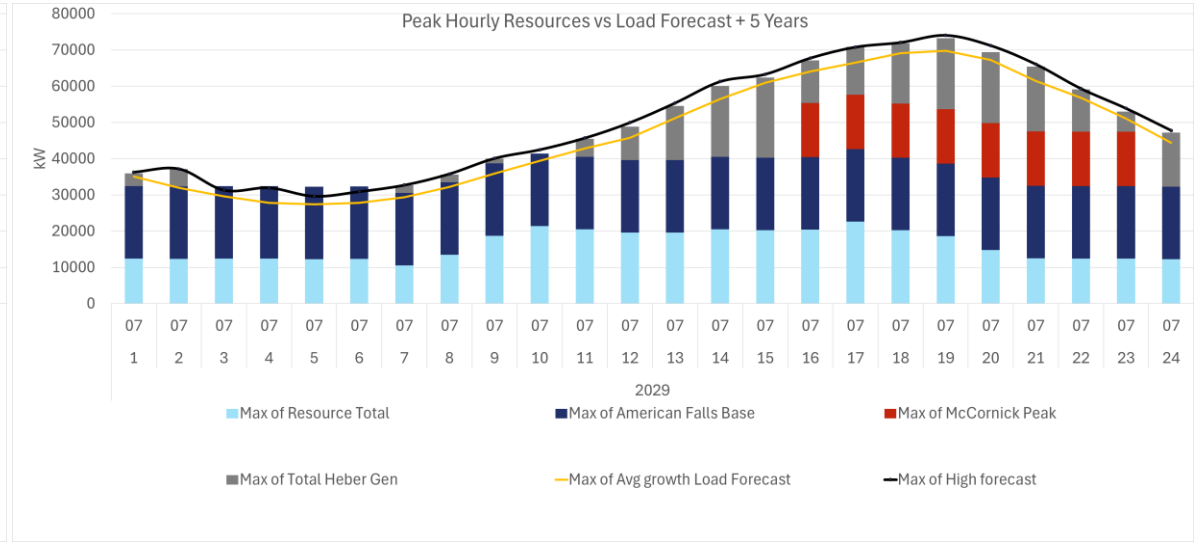
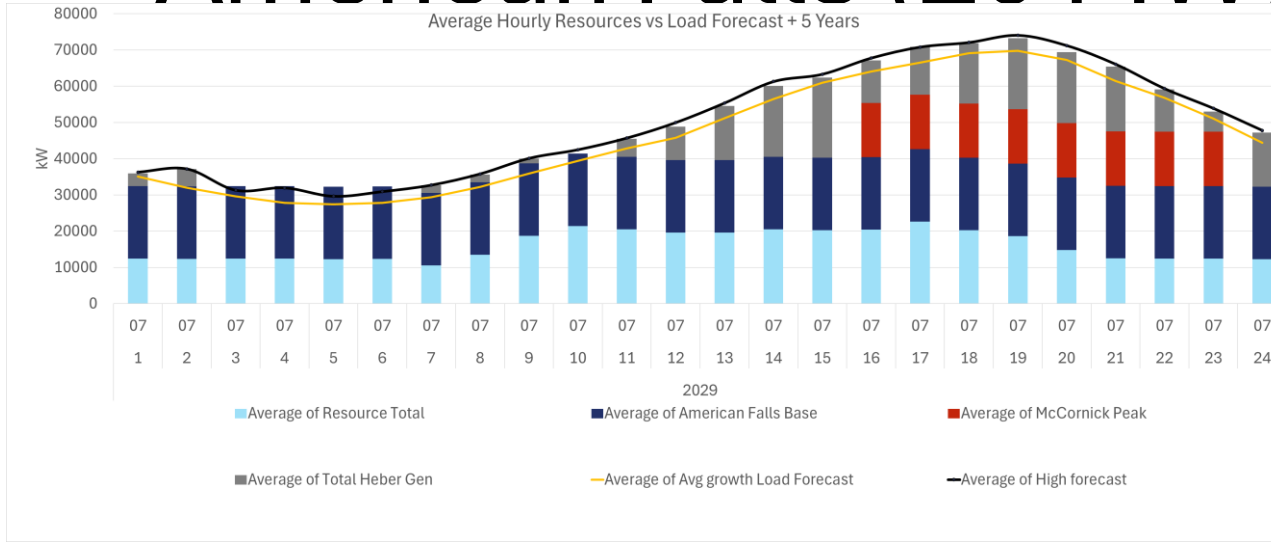
Peak Month Hourly Power Generation vs Load (+15 years)



Generation with McCornick & American Falls at UAMPS Recommended Levels



Generation with McCornick (15MW) & American Falls (20 MW)



Agenda Item 3: Employee Request for Retirement Buyout



Board Meeting January 24, 2023

Shane Carlson Retirement Buyout

11/21/2024



Heber Light & Power – Service Credit Purchase Stipulations



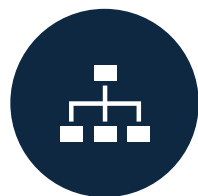
URS Stipulations



Job Performance



Role Impact



Succession &
Workforce Strategy



Financial
Considerations



Utah Retirement System – Service Credit Purchase Stipulations

25 years of service

Purchase up to 5
years

5% minimum

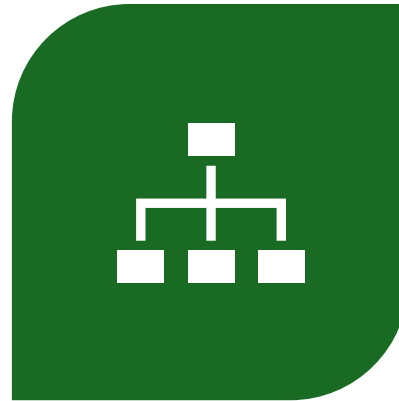
Must retire



Job Performance



HIRE DATE:
04/06/1994



MOVED THROUGH
THE RANKS



CLEAN EMPLOYEE
FILE



Role Impact

Service Man

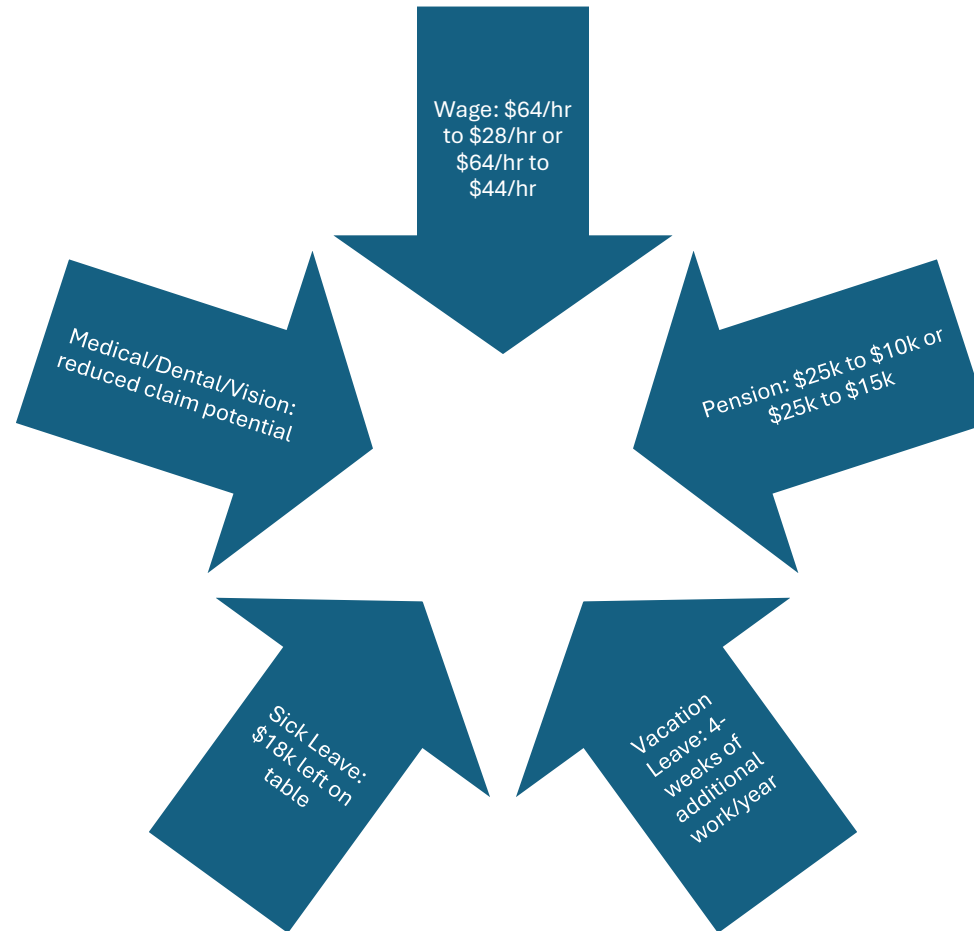


Succession & Workforce Planning

Horizontal Company



Financial Considerations





Buyout Specifics



Retire Date: 12/31/2024



Buyout Cost: \$110,000 – 50%
request of HLP



Buyout Specifics – Financial Support

Replacement (Apprentice)

- Wage Difference - \$76k
- Pension Cost - \$15k
- Sick Leave Loss - \$18k
- Non-quantifiable values
 - Replacement speed
 - Additional 4-weeks of work
 - Medical premium impacts
 - System knowledge

Overall Payback Period: 9 - 12 months



Buyout Specifics – Financial Support

Replacement (Journeyman)

- Wage Difference - \$42k
- Pension Cost - \$10k
- Sick Leave Loss - \$18k
- Non-quantifiable values
 - Replacement speed
 - Additional 4-weeks of work
 - Medical premium impacts
 - System knowledge

Overall Payback Period: 14 - 18 months

Shane Carlson Retirement Buyout

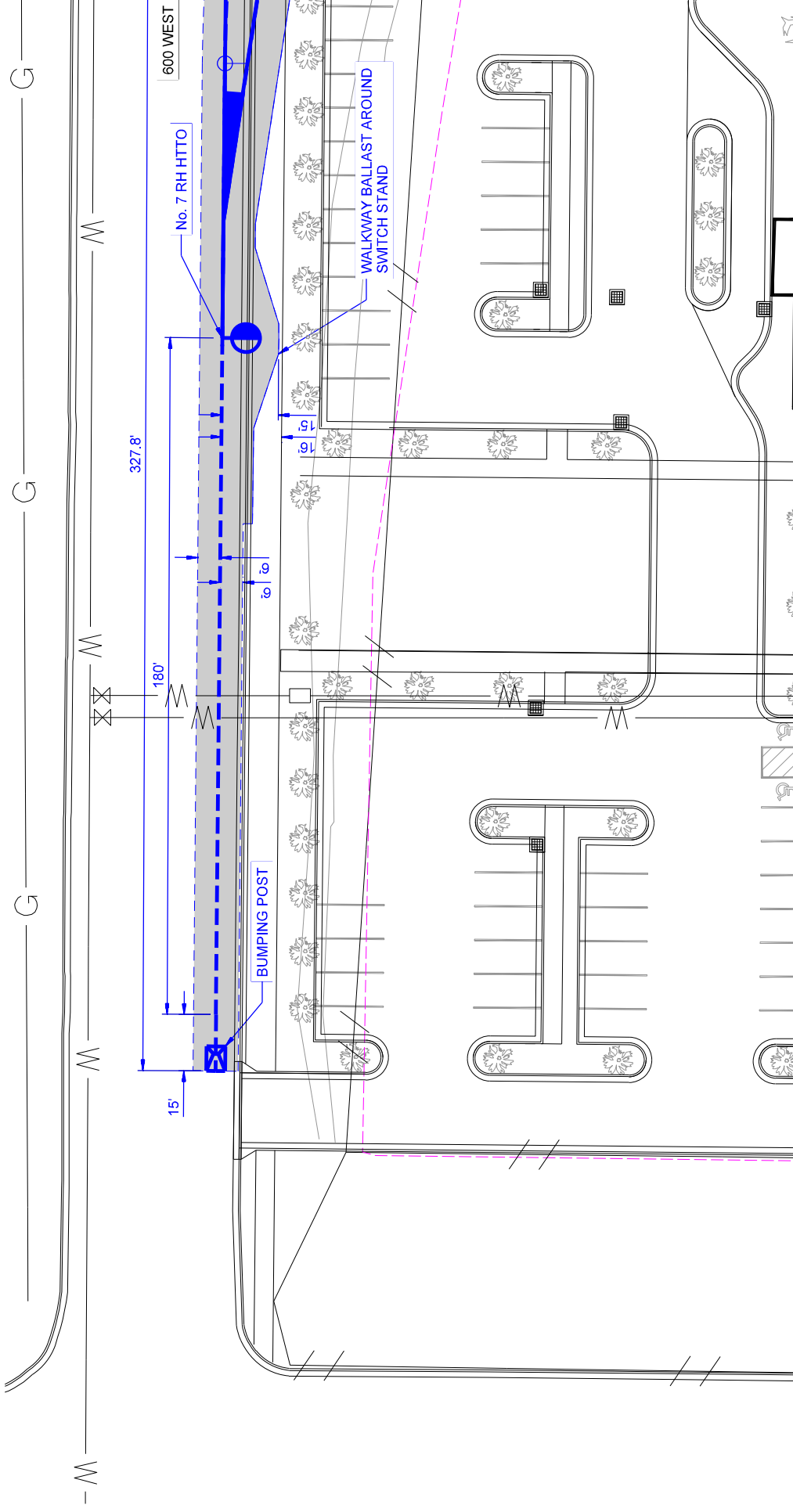
Questions?

Agenda Item 4: Heber Valley Railroad Line Extension

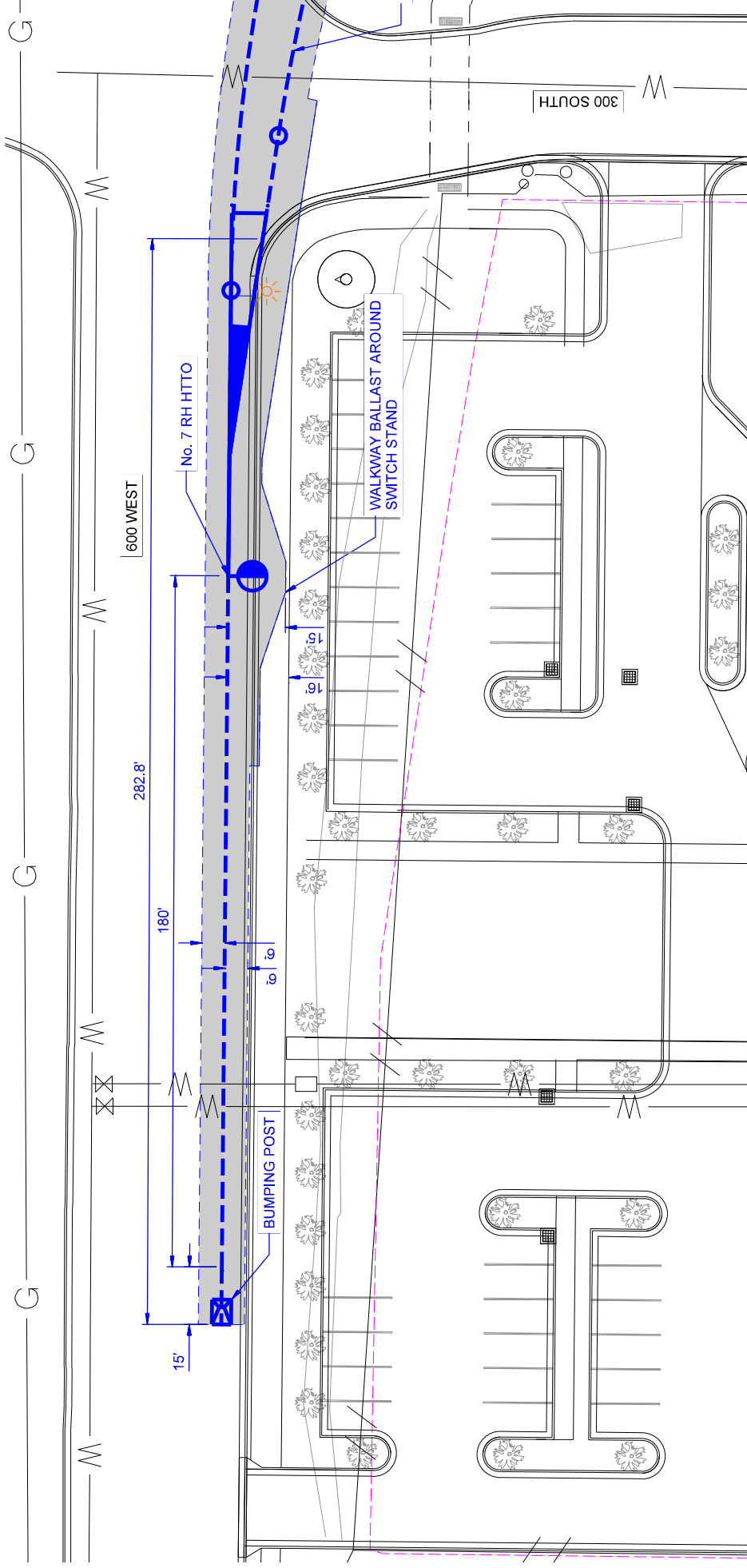


Board Meeting January 24, 2023

HEBER VALLEY RAILROAD HEBER, UTAH



HEBER VALLEY RAILROAD HEBER, UTAH



Agenda Item 5: Feed-in-Tariff Policy



Board Meeting January 24, 2023

HEBER LIGHT & POWER COMPANY

FEED-IN TARIFF PROGRAM

GUIDELINES

A. Overview of the Program

The Feed-In Tariff (FIT) Program gives customers the opportunity to sell electric power to the company under a long-term power sales contract. This program is open to all customers who are in good standing and comply with these Guidelines.

Customers participating in the FIT Program will execute a Power Sales Agreement (PSA), which requires the Company to purchase and the Customer to sell all the electricity delivered from the Customer's Generation Facility for the negotiated length of time with the Company. The Company will pay for the electricity on a \$/kWh basis based on the type of generation facility. The disposition of the Renewable Energy Credits (RECs) associated with the generation, if applicable, will be a negotiated term of the Sales Agreement.

The Customer's sale of FIT Program Power and interconnection to the Company's System does not change the Customer's electric bill or the Company's delivery of electricity to the Customer. The Company will continue to sell, and the Customer will continue to purchase electricity in the same manner and at the same rate as the Customer did prior to entering the Program. This electricity will be measured through the Customer's Service Meter.

B. Program Cap

The Feed-In Tariff Program will be capped at a total of 3 megawatts (MW) system wide. The Company holds the right to stop accepting FIT Program applications at any time.

C. Eligibility

Any Customer premise receiving power service from the Company is potentially eligible for the FIT Program. The total capacity of the generation facility must be larger than the maximum size allowed under the current Net Metering Policy but less than 1,000 kW (1 MW) AC.

Acceptable generation sources for this program include:

1. Solar
2. Wind
3. Natural Gas Cogeneration (Also known as Combined Heat and Power)
4. Biomass
5. Hydro

Each Customer wishing to enter a PSA under the FIT Program will be required to submit a completed application in a form provided by the Company. The Company will review the application

for compliance with the Guidelines and applicable law. Applications found not to comply with the Guidelines and applicable law will be rejected by the Company.

D. Rate Agreement

The Company will pay for the electricity produced by the generation under the PSA at rate(s) approximately equal to the Company's avoided energy cost for generation priced at the Palo Verde energy hub, updated annually. The Company has the right to negotiate the rate for a particular PSA based on characteristics or location of the generation facility. The Company will provide estimated forward pricing to a potential FIT customer following application submittal.

E. Length of Contract

The contract length will vary depending on the type of generation listed below. The Company has the right to negotiate the length of the contract based on the characteristics or location of the generation facility.

Feed-In Tariff Contract Length by Generation Type

Generation Type	Length in Years
Solar	10-20
Wind	10-20
Natural Gas	10-20
Biomass	10-20
Hydro	10-20

F. Renewable Energy Credits

The participating Customer must register with WREGIS. Ownership of the Renewable Energy Credits (RECs) generated by the FIT project will be negotiated as part of the PSA. Ownership of RECs generated by the project may impact the rates paid under the PSA.

G. Application Fees

The Customer must pay an application fee, which will go towards the engineering study.

Application Fees

Capacity of Generation	Fee Charge
Less than 100kW	\$250
Larger than or equal to 100 kW and less than 750 kW	\$1,500
750 kW or larger	Quoted by the Company

H. Steps in Program Approval and Installation Process

The following is a summary of the steps that the Customer must complete to qualify for and participate in the Feed-In Tariff Program:

1. Submission of Application and Application Fee. The Customer submits a completed Application and pays the application fee. The completed Application includes all information required by the Application and its instructions, including the design of the Generation Facility, One-line Diagram, and desired point of interconnection.

2. Preliminary Engineering Review. The Company's engineer reviews the Application and supporting documentation to determine whether the Generation Facility would exceed the Company's System and circuit limitations, and to identify any System Upgrades that would permit the safe and efficient interconnection of the Facility. The cost of the preliminary engineering review is included in the application fee.

3. Design Review and Approval. The Company will complete its design review upon payment from Customer of the estimated costs of such review. The Company will notify the Customer: (a) that the Application has been approved subject to reasonable conditions, including the installation of System Upgrades at the Customer's expense or (b) that the Application has been rejected and the reasons for the rejection.

4. Post-Approval Agreements and Fees. Prior to moving forward with the project, the Company and the Customer must execute a Power Sales Agreement and an Interconnection Agreement that govern the construction, operation, and maintenance of the generation facility and the purchase and sale of the energy. The executed Agreements shall govern the parties and supersede and replace the Guidelines except to the extent that the Agreements incorporate the Guidelines. The Customer must pay the Company the estimated cost to make the required System Upgrades.

5. Construction of Facility and System Upgrades. The Customer constructs the Generation Facility in a manner consistent with the approved design, the Agreements, and applicable building and electrical codes. The Company constructs the System Upgrades, if any.

6. Testing and Permit to Operate. Upon completion of construction, the Customer tests the Generation Facility to ensure compliance with Agreements, including applicable codes, and submits proof of compliance to the Company. If the Facility is in compliance, the Company issues a Permit to Operate and installs the Production Meter. The Customer may then close the disconnection switch and begin production.

7. Operation and Maintenance. The Customer and the Company operate and maintain their respective facilities in a manner consistent with the Agreements, including Manufacturer Directions and applicable electric codes.

8. Sale/Purchase of Power. As provided in the Power Sales Agreement, the Customer shall sell, and the Company shall purchase all energy from the facility for the term of the PSA.

ATTACHMENT A

ATTACHMENT A

Definitions

1. “Agreements” means the Sales Agreement and Interconnection Agreement.
2. “Application” means the Application to Participate in the Heber Light & Power Company Feed-In Tariff (FIT) Program, including the instructions and supporting documents.
3. “Applicable Law” means any and all applicable laws, rules, regulations, ordinances, codes, orders or permits of any and all Governmental Authorities, including zoning, construction, environmental and worker safety laws.
4. “Approved Application” means the Application to Participate in the FIT Program and supporting documents submitted by the Customer and approved by the Company for participating in the Program. The Application and supporting documents are attached as Attachment B.
5. “Company” means the Heber Light & Power Company, a Utah energy services interlocal entity and political subdivision.
6. “Company’s System” means (a) the Company’s distribution facilities used to generate and deliver electricity to its customers and (b) those facilities of that are necessary, consistent with Prudent Utility Practice, to permit the Company to take at the Meter the Energy generated by the Customer’s Facility.
7. “Customer” means the Customer identified in the first sentence of the Interconnection Agreement.
8. “Default” is defined in Section 14 of the Interconnection Agreement.
9. “Default Amount” is defined in Section 15.3 of the Interconnection Agreement.
10. “Electric Codes” means: the National Electric Code, the National Electric Safety Code, IEEE Standards, and Underwriters Laboratories Standards.
11. “Energy” shall the electricity produced by the Generation Facility and delivered to the Meter.
12. “Emergency” is defined in Section 10.1 of the Interconnection Agreement.
13. “Force Majeure” means causes or events beyond the reasonable control of, and without the fault or negligence of the Party claiming Force Majeure, such as: (a) acts of God, sudden actions of the elements such as floods, earthquakes, hurricanes, or tornadoes; (b) high winds of sufficient strength or duration to materially damage a properly designed or constructed facility or significantly impair its operation; (c) lightning, fire, or ice storms; (d)

sabotage or vandalism beyond that which could reasonably be prevented by the Party claiming Force Majeure; (e) terrorism, war, fire, riot, explosion, blockade, or insurrection; (f) strike, slow down,

or labor disruptions (even if such difficulties could be resolved by conceding to the demands of a labor group); (g) actions or inactions by any governmental authority taken after the date hereof (including the adoption or change in any rule or regulation or environmental constraints lawfully imposed by such Governmental Authority) but only if such requirements, actions, or failures to act prevent or delay performance; and (h) inability, despite due diligence, to obtain any licenses, permits, or approvals required by any governmental authority. A Force Majeure does not include (1) events caused by an act of negligence or wrongdoing by the Party claiming Force Majeure; (2) events arising from the failure by the Party claiming Force Majeure to design, construct, operate or maintain a facility in accordance with Prudent Utility Practices and the Agreements; (3) market forces or economic conditions that adversely affect a party's economic ability to economically use or resell the Electric Power or operate, maintain, repair or replace their respective facilities; or (4) the Customer's ability to sell the Electric Power at a price greater than the Contract Price; (5) failure of third parties to provide services, materials, and equipment essential to a party's performance, unless such failure is caused by a Force Majeure; (6) delays in or an inability of the Party claiming Force Majeure to obtain financing or (7) economic hardship.

14. "General Services Customer" means a Customer who is not a Residential Customer and includes small, medium and large General Services Customers.

15. "Governmental Authority" shall mean any federal, state, regional, county, town, city, municipality or political subdivision whether domestic or foreign, or any department, agency, bureau, or other administrative, regulatory or judicial body of any such government, including the Company.

16. "Interconnection Agreement" means the Interconnection Agreement executed by the Parties effective on ____.

17. "Manufacturer Directions" means equipment manufacturer directions for: (a) the safe and effective installation, operation and maintenance of the Generation Facility or (b) for testing the Facility.

18. "Monthly Statement" is defined in Section 4.3 of the Sales Agreement.

19. "Party" or "Parties" means, individually or collectively, the Customer or Company.

20. "Production Meter" means the meter that measures the Energy produced by the Generation Facility and delivered at the Meter to the Company.

21. "Program" means the FIT Program approved by the Company's Board of Directors on May __, ____.

22. “Program Guidelines” means the guidelines for the implementation of the Program, approved by the Company’s Board of Directors on May __, __.

23. “Program Standards” or “Standards” means, individually and collectively, the following as they may be amended from time to time: (a) the Approved Application, including

design criteria and specifications for the Generation Facility, (b) Prudent Utility Practice, (c) Electric Codes, (d) the Company’s Interconnection Standards, (e) Manufacturer Directions, (f) Applicable Law, (g) the Permit to Operate including any conditions to or limitations on the Customer’s operation and maintenance of the Facility, (h) the Interconnection Agreement, and (i) the Sales Agreement.

24. “Prudent Utility Practice” means any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Prudent utility practices is not intended to be limited to the optimum practice, method or act to the exclusion of others, but rather to be practices, methods or acts generally accepted in the industry and region. Prudent Utility Practices includes meeting at a minimum the laws or regulations applicable to the activities, facilities or decisions involved and the National Electric Safety Code, as last revised.

25. “Rate” means the price per kWh in Section 4.2 of the Sales Agreement that the Company shall pay the Customer for Energy produced by the Facility and delivered to the Meter.

26. “Renewable Generation” means a facility that generates electricity using sunlight, wind or water as the primary source of energy

27. “Residential Service” means electric service provided to a customer solely for domestic purposes in (1) single family dwelling units; (2) apartments where each dwelling unit is separately metered and billed; and (3) combined family dwelling units. Dwellings where tenancy is typically less than 30 days in length, such as short-term residential rentals, hotels, motels, camps, lodges and clubs, do not qualify for Residential Service.

28. “Sales Agreement” means the Power Sales Agreement executed by the Parties on _____.

29. “Service Address” is defined in the Agreements’ recitals and identified in the Approved Application as the location at which the Customer would operate the Generation Facility and receives General Service from the Company.

30. “Service Meter” means the meter that measures that measures the energy delivered to the Customer from the Company’s system.

31. “Generation Facility” or “Facility” means the energy generating system described in the Approved Application and designed and installed at the Service Address and in a manner consistent with the Standards. The Facility may include more than one energy generating system, but the aggregate capacity of the generators shall not exceed the Program limits.

32. “System Upgrades” means improvements to the Company’s system reasonably necessary to accommodate the Generation Facility.

33. “Termination Date” means the earlier of: (a) the expiration of the term of the Agreements as provided in Section 3 of the Agreements or (b) the date of early termination as provided in Section 18 of the Interconnection Agreement.

ATTACHMENT B

APPLICATION TO PARTICIPATE IN THE FEED-IN TARIFF PROGRAM
OF
HEBER LIGHT & POWER COMPANY

I. Instructions.

A. Applicability.

A Customer may apply to participate in the Feed-In Tariff (FIT) by completing and submitting this Application. A description of the FIT Program and its requirements are found in the Feed-In Tariff Program Guidelines (Guidelines), available on the Company website. Customers interested in applying for the FIT Program should read the Guidelines carefully before submitting this application. The capitalized terms in this Application are defined in Attachment A to the Guidelines.

This Application applies only to the FIT Program. Customers wishing to install a transfer switch for an emergency or standby generator should submit an Application for Attachment to Residential Meter Socket. Customers with a solar generator having a capacity less than 25 kW may participate in the Company's Net Metering Program. Information concerning each of these programs is available on the Company website.

B. FIT Program Agreements.

A Customer whose Application is approved must enter into a Power Sales Agreement and an Interconnection Agreement to participate in the FIT Program. The terms of these agreements may affect the economic and/or operational viability of the proposed Generation Facility. The Company strongly encourages Customers to carefully review these Agreements before submitting an Application or requesting Company design approval. The basic forms of these Agreements are attached to the FIT Program Guidelines on the Company website; note, however, that these Agreements will generally need to be tailored to each specific project.

C. Customer's Responsible for Design and Operation of the Generation Facility.

The Customer is solely responsible and assumes all risk and liability for the safe, reliable, and economic operation of the Generation Facility. The Customer shall also test the Generation Facility as required by Agreements both prior to connection to the Company System and thereafter during operation.

The Company's approval of a Customer's Application is not intended nor should it be interpreted as the Company's representation or warranty that the Customer's Facility complies with any applicable law including, without limitation, local land use or business ordinances. The Company's approval of the Application including the design and specifications or the Customer's compliance with the Agreements or the Program Standards does not mean that the Generation Facility is safe or may be reliably or economically operated. The Company shall not be liable or responsible for the safety, reliability, design, or protection of the Generation Facility.

D. Required Documentation and Fees.

The Customer's Application should affirmatively show that the proposed Generation Facility complies with the Program Standards including the Company's Interconnection Standards. The Customer should direct questions concerning the application of the Program Standards to the Company's general manager.

The Company will not begin review of an Application unless the Customer pays the application fee and submits two copies of the Application and of the following documents. Drawings must conform to accepted engineering standards, be certified by a Utah licensed electrical engineer and, when requested, be 11"x17":

1. A single-line and three-line drawing showing: (a) the electrical relationship and descriptions of the significant electrical components such as the inverter, primary switchgear, secondary switchboard, protective relays, transformers, generators, circuit breakers, with operating voltages, capacities, and protective, (b) the Customer's loads, and (c) the interconnection with the Company's System which is typically the Production Meter.
2. Technical data sheets on all equipment including inverters, generators, fuses, circuit breakers, and switches.
3. Short circuit calculations.
4. Site plans and diagrams showing the physical layout of the Generation Facility and the location of associated structures and infrastructure such as buildings, streets, driveways, water ways, fences, the Customer's generating equipment and the Company's System.
5. Equipment data sheets issued by the manufacturer for all major components to be installed such as switchgear, secondary switchboard, protective relays, transformers, generators, circuit breakers, inverters, disconnect switches, transfer switches, battery banks, turbines, motors, with operating voltages, capacities, and protective functions.
6. For Customer-owned transformers, if used, to interconnect the Generation Facility with the Company's System, provide transformer nameplate information (voltages, capacity, winding arrangements, connections, impedance, et cetera).
7. For transfer switches or schemes used to interconnect the Generation Facility with the Company's System, provide component descriptions, capacity ratings, and a technical description of how the transfer scheme is intended to operate.
8. For Protective relays or elements used to control and protect the interconnection, provide protection diagrams and control schematics showing relay

wiring and connections, proposed relay settings, and a description of how the protection scheme is intended to function.

9. Certified test reports issued by the manufacturer that demonstrate the generator meets applicable standards may be required for certain applications. Contact the Company to determine if test reports are needed.

10. Completed Project Development Team Form.

E. Engineering Study and System Upgrades.

The Company will conduct a preliminary engineering review of the completed Application and supporting documents to determine whether the proposed Generation Facility complies with the Program Standards, the Company's Interconnections Standards, and the Electric Codes and the estimated cost of the System Upgrades, if such upgrades are required. The cost of the preliminary engineering review is included in the application fee.

If System Upgrades are required, the Customer shall be responsible for cost of the System Upgrades including detailed engineering as necessary. The Customer must pay the estimated costs before the Company will begin construction of the System Upgrades.

II. Customer Account Information and Location of Generation Facility.

Customer Name: _____
Address: _____
Address of Service Connection: _____
Zip: _____

State the basis on which the Customer claims a right to construct and operate the Generation Facility at the Service Address, including Customer's interest in property and permitted uses under applicable zoning and subdivision/homeowner association covenants: _____

For Company use only:

- Electric Account Number _____
- Meter Number _____
- Circuit or Feeder Number _____

III. Customer Contact Information - Who should be contacted for additional information, if necessary?

- Customer Contact Person: _____
- Company Name: _____
- Phone: _____ FAX: _____
- Email: _____

- Mailing Address: _____
- State: _____ Zip: _____

IV. Customer Contractor/Engineer Contact Person

- Contractor/Engineer Person: _____
- Company Name: _____
- Phone: _____ FAX: _____
- Email: _____
- Mailing Address: _____
- State: _____ Zip: _____

V. Proposed Start-Up Date

VI. Generation Facility Information

- A. Provide the maximum 3-phase fault current that will be contributed by the proposed Generation Facility to a 3-phase fault at the Point of Common Coupling (PCC). (If the Generation Facility is single-phase in design, please provide the contribution for a line-to-line fault.) Consult an electrical engineer or the equipment supplier if assistance is needed in answering this question and please describe the assumptions used in calculating the maximum fault current contribution value.

- Maximum fault current: _____ Amps
- Service panel short circuit rating: _____ Amps
- Transformer size for the Facility: _____ KVA

VII. Generation Facility Data

1. Provide the following information regarding the Generation Facility:

Generation Type _____

Manufacturer (Name) _____

Model (Name/Number) _____

Gross Nameplate Rating - KW _____

Net Nameplate Rating – KW _____ Operating Voltage - V _____

Inverter Rating (if applicable) - KW _____

2. Has the Generation Facility's inverter been manufactured and tested to UL, ANSI or IEEE standards?

- ☐ Yes
- ☐ No
- ☐ Not Applicable

If yes, provide manufacturer or testing documentation.

- ☐ Wiring Configuration
- ☐ Single-Phase
- ☐ Three-Phase

The Customer and its representative submitting this Application on the Customer's behalf hereby certify, under penalty of perjury, that the information in this Application, the attached plans and project description, and any other information submitted in support of this application are true and correct. The Customer agrees that, in its construction and operation of the Facility, it will comply with the Company's service rules and regulations and Interconnection Standards and comply with all applicable laws and electric codes.

[Customer Name]

By: _____ Its: ____

ATTACHMENT C

INTERCONNECTION AGREEMENT

This Interconnection Agreement is made and entered into this ____ day of _____, 20__, by and between Heber Light & Power Company, a Utah energy services interlocal entity (“Company”), and [Company/Customer Name] (“Customer”), a General Service Customer of the Company.

RECITALS

WHEREAS, the Company’s Feed-In Tariff (FIT) Program gives qualifying customers the opportunity to connect Generation Facilities to the Company’s System pursuant to an Interconnection Agreement and to sell the energy produced by the Generation Facilities to the Company pursuant to a Power Sales Agreement.

WHEREAS, the Customer receives retail electric power service from the Company at _____ (“Service Address”) under an account in its name.

WHEREAS, the Customer has submitted an Application to Participate in the FIT Program.

WHEREAS, the Company has approved the Customer and its Generation Facility described in the Application for participation in the Company’s FIT Program.

WHEREAS, the Company and the Customer wish to enter into this Generation Interconnection Agreement to provide for the Customer’s construction, operation and maintenance of the Generation Facility and for the interconnection of the Generation Facility to the Company’s distribution system.

AGREEMENT

1. **DEFINITIONS** The capitalized terms in this Interconnection Agreement are defined in Attachment A.

2. **PURPOSE OF INTERCONNECTION AGREEMENT**

2.1. This Interconnection Agreement: (a) governs the Parties’ respective rights and obligations with respect to the Customer’s interconnection and parallel operation of the Generation Facility with the Company’s System and (b) applies only to the Generation Facility described in the Approved Application and operating at the Customer’s Service Address.

2.2. This Interconnection Agreement does not give the Customer the right to retail electric service or to transmission service for the output of its Generation Facility and does not modify or otherwise affect any other agreement between the Company and the Customer.

3. **TERM** This Interconnection Agreement shall become effective when both Parties execute the Interconnection Agreement and the Sales Agreement and shall continue in effect for a period of [insert Generation Facility’s estimated useful life] years from the date of

issuance of the Permit to Operate and from year-to-year thereafter, unless terminated earlier under Section 18 of the Interconnection Agreement.

4. CUSTOMER'S COMPLIANCE WITH PROGRAM STANDARDS.

4.1. The Customer shall keep itself fully informed of the Program Standards including laws, ordinances, codes, rules and regulations, governmental general and development plans, setback limitations, rights of way, and all changes thereto, which in any manner affect the Customer's construction, operation, maintenance and repair of the Generation Facility and sale to the Company of the Energy produced by the Generation Facility, all as provide for in the Agreements.

4.2. The Customer shall, at its sole expense, obtain all land use approvals, building permits and other permits or licenses, including easements or other permanent interests in real property, which may be required in connection with the construction, operation, repair and maintenance of the Generation Facility and shall give all notices, pay all fees, and take all other action which may be necessary to ensure that the Generation Facility is constructed operated, repaired and maintained in accordance with the Program Standards and Applicable Law.

4.3. The Customer shall be responsible for payment of all applicable federal, state, and county taxes and fees which may become due and owing as a result of the construction and operation of the Facility or the sale of the Energy to the Company, including but not limited to (a) income taxes, (b) energy or sales taxes, (c) employment-related fees, assessments, and taxes, (d) property or privilege tax and (d) general excise taxes.

5. CONSTRUCTION OF THE GENERATION FACILITY AND ISSUANCE OF PERMIT TO OPERATE

5.1. The Customer shall, at its sole expense, construct the Generation Facility in compliance with the Program Standards including: (a) the Approved Application including all construction and design criteria, (b) Prudent Utility Practice including applicable electric codes, (c) the Company's Interconnection Standards, and (d) Applicable Law. The Customer may not alter the approved construction and design criteria, without the Company's prior written consent, which consent shall not be unreasonably withheld.

5.2. The Customer shall complete construction within six (6) months of the Company's approval of the Application.

5.3. The Company has the right, but not the obligation, to inspect the construction of the Generation Facility to verify compliance with the Program Standards. The Customer shall give the Company: (a) reasonable access to the construction site to observe on-going and completed construction, and (b) reasonable notice before covering or making any completed work inaccessible for inspection or testing. If the Customer has not given reasonable notice and completed work is not reasonably accessible for inspection, the

Company may defer or decline issuance of a Permit to Operate until the Customer, at its own expense, makes the work accessible for inspection.

5.4. Performance Verification and Testing.

5.4.1. The Customer shall verify the suitable performance of the Generation Facility by conducting the performance verification testing recommended by the manufacturers of the component parts of the Generation Facility or required by the Program Standards.

5.4.2. The Customer shall provide the Company with fourteen (14) days' advance written notice before the verification testing and permit the Company to observe the testing. If the Customer fails to provide such notice, the Company may require the Customer to conduct the verification testing again, at the Customer's expense, and to permit the Company to observe the testing.

5.5. Upon completion of construction and verification testing, the Customer may provide the Company with a written notice of completion including: (a) a written certification that the Generation Facility has been installed and tested in compliance with the Program Standards including equipment manufacturer instructions, (b) the building inspector's final approval of the construction, and (c) a report of the results of the verification testing.

5.6. Within five (5) business days of its receipt of the notice of completion, the Company will inspect the Generation Facility to determine whether the Facility complies with Program Standards. If the Generation Facility satisfies the Program Standards, the Company will issue a Permit to Operate and install the Production Meter. The Permit to Operate may include conditions concerning the operation or maintenance of the Generation Facility. After issuance of the Permit to Operate, the Customer may close the disconnect switch and operate the Generation Facility.

If the Generation Facility does not comply with the Program Standards, the Company shall notify the Customer, in writing, of the deficiencies and what actions, if any, the Customer may take to correct the deficiencies and obtain a Permit to Operate. The Company will not issue a Permit to Operate unless the Generation Facility complies with the Project Standards and the Customer has paid all amounts due the Company.

If the Customer disputes the Permit conditions or the Company's reasons for denying the Permit, the Customer may submit the matter for resolution under Section 17 of the Interconnection Agreement.

5.7. After the Permit to Operate is issued, the Customer shall not modify the Generation Facility, its protective devices or other components without the Company's prior written consent, which consent shall not be unreasonably withheld.

6. CONSTRUCTION OF AND PAYMENT FOR SYSTEM UPGRADES

6.1. The System Upgrades and the Company's estimate of the cost of the System Upgrades (including labor, material, and overhead/administrative cost) are attached hereto as Attachment B. The Customer shall pay the estimated System Upgrades cost upon execution of the Agreements.

6.2. The Company shall construct the System Upgrades pursuant to the schedule in Attachment B. After the construction is complete, the Company shall provide the Customer with documentation showing the Company's actual System Upgrades cost (including engineering, labor, material, and overhead/administrative cost) and shall reimburse the Customer for any overpayment or invoice the Customer for any deficiency between the amount initially paid and the actual cost of the System Upgrades.

6.3. The Company shall own, operate, maintain, and repair the System Upgrades.

7. INSTALLATION, MAINTENANCE, REPAIR, AND OWNERSHIP OF PRODUCTION METER

7.1. At its own expense, the Company shall: (a) install a Production Meter at the Generation Facility or at the location identified in the Approved Application, (b) repair, maintain and test the Production Meter, and (c) have the right to reasonable access to the Production Meter for repair, maintenance, inspection, and testing. The Production Meter shall be sealed and the seals shall be only be broken by the Company when required for inspection, testing, or adjustment of the Production Meter and when the Customer has been given a reasonable opportunity to be present to observe.

7.2. The Company shall also conduct such tests of the Production Meter as the Customer may reasonably request provided that the Customer pays, in advance, the testing costs. The Customer may be present and observe such testing.

7.3. If the testing shows the Production Meter under- or over reports the production by more than two percent (2%), then the Company shall, at its own expense: (a) replace the Production Meter, (b) make any adjustments in the Monthly Statements as provided in Section 5. of the Sales Agreement, and (c) reimburse the Customer's payment of the testing costs, if any.

8. OPERATION, MAINTENANCE AND REPAIR OF GENERATION FACILITY

8.1. The Customer shall not operate its Generation Facility in parallel with the Company's System, unless the Company has first issued a Permit to Operate.

8.2. Upon issuance of the Permit, the Customer, at its own expense, shall own, operate, maintain, and repair the Generation Facility in compliance with the Program Standards.

8.3. After issuance of the Permit, the Customer shall not modify the Generation Facility without the Company's prior, written approval, which approval shall not be

unreasonably withheld. Upon Company approval, the Customer shall make the modifications in a manner consistent with the Program Standards and the Company's approval. If the Customer modifies its Facility without written approval or in a manner inconsistent with the Program Standards or the Company's approval, the Company may disconnect the Generation Facility and, at the Customer's sole expense, inspect the modifications and test the System for compliance with the Program Standards and this Interconnection Agreement. The Company shall notify the Customer of any deficiencies, and the Customer shall, at its own expense, correct the deficiencies before the Company will reconnect Generation Facility.

8.4. The Customer must maintain the Generation Facility in compliance with the Program Standards including manufacturer recommended periodic maintenance. If the Customer fails to properly maintain the Facility, the Company may disconnect the Generation Facility until such time the Customer provides documentation or other proof of proper maintenance in compliance with the Program Standards.

9. COMPANY'S INSPECTION AND TESTING OF THE GENERATION FACILITY

After the issuance of the Permit to Operate, the Company may, from time-to-time and upon reasonable notice to the Customer, conduct on-site inspections and testing of the Generation Facility to verify compliance with the Program Standards. The Company shall initially pay the cost of such inspection and testing, subject to reimbursement by the Customer if the inspection or testing shows that the Generation Facility or its operation is not in compliance with the Program Standards.

10. DISCONNECTION OF GENERATION FACILITY AND INTERRUPTION OF DELIVERY OF ENERGY

10.1. As used in these Agreements, "Emergency" means a sudden or unexpected circumstance or the resulting state that calls for immediate action to avoid the imminent risk of:

(a) a significant disruption of service to customers or (b) injury to person or property.

10.2. The Company may disconnect the Generation Facility, without liability to the Customer, under the following circumstances regardless of whether the circumstances were caused by a Force Majeure or the Customer's Default:

10.2.1. Emergency Disconnection. The Company may disconnect the Generation Facility, without prior notice to the Customer: (a) if reasonably necessary to eliminate conditions that constitute a potential hazard to Company personnel, the Customer or the general public; (b) if pre-Emergency or Emergency conditions exist on the Company's System; (c) if a hazardous condition relating to the Generation Facility is observed by Company personnel or reported to the Company; or (d) if the Customer has, without the Company's prior written consent, modified any protective device. The Company shall notify the Customer of the need for disconnection under this Section 10.2.1, if circumstances permit.

10.2.2. Planned Outages. The Company may curtail the output of the Customer's Generation Facility or temporarily disconnect the Generation Facility for maintenance, construction, and repairs on the Company's System. The Company shall provide the Customer with five (5) business days' notice prior to such interruption, and shall coordinate such reduction or temporary disconnection with the Customer, in a manner consistent with Prudent Utility Practice.

10.2.3. Forced Outages. During a forced or unplanned outage on the Company's System affecting the Generation Facility, the Company may disconnect the Generation Facility to permit repairs and upgrades to remedy the cause of the outage. The Company shall use reasonable efforts to provide the Customer with notice of the outage.

10.2.4. Generation Facility's Disruption or Interference with Company's System. Regardless of whether an Emergency exists or whether the Customer has Defaulted, the Company may disconnect the Generation Facility if the Company has determined the Generation Facility or its operation causes or may cause: (a) disruption or deterioration of service to other customers, (b) damage to the Company's System, or (c) risk to the safety of Company personnel, the Customer, the general public, or their property. Except in an Emergency, the Company shall give the Customer advance, written notice of the reason for the disconnection under this Section 10.2.4, and the Customer shall have five (5) business days to eliminate the reasons for the proposed disconnection.

10.2.5. The Company's good faith disconnection of the Generation Facility as provided in this Section 10.2 shall excuse the Company's obligation to purchase and the Customer's obligation to sell the Energy from the Generation Facility under Section 4 of the Sales Agreement and shall not give rise to any liability of the Company to the Customer.

10.3. In addition to disconnection under Section 10.2, the Company may disconnect the Generation Facility if

10.3.1. the Customer is in Default of a material provision of the Agreements, or

10.3.2. the Customer modifies the Facility in violation of Section 8.

In the event of a disconnection under this Section 10.3, the Company's obligation to purchase Energy shall be excused and it may pursue its remedies under Section 15 of the Interconnection Agreement.

11. OPERATION, MAINTENANCE AND REPAIR OF COMPANY'S SYSTEM

The Company shall own, operate and maintain the Company's System consistent with Prudent Utility Practice to effectuate the Company's receipt and purchase of the Energy at the Production Meter under the Sales Agreement.

12. COMPANY ACCESS TO GENERATION FACILITY AND COMPANY EQUIPMENT

The Company shall have access to the disconnect switch of the Generation Facility at all times. In addition, the Company, upon reasonable notice and during ordinary business hours, shall have the right to access the Generation Facility and the Company's equipment located on the Customer's property.

13. CUSTOMER'S REPRESENTATIONS AND WARRANTIES The Customer represents and warrants as follows:

13.1. The information provided to the Company in the Application and supporting documents is true and correct on the date the Company approved the Application and on the date the Company issues the Permit to Operate.

13.2. The Customer has constructed the Generation Facility consistent with the Program Standards and shall operate, maintain, repair and replace the Facility consistent with the Program Standards.

13.3. The Customer is and shall remain a General Services Customer receiving service at the Service Address during term of the Agreements.

13.4. The Customer is not a public utility and its ownership and operation of the Facility and sale of the Energy to the Company are not subject to regulation by the Utah Public Service Commission or other governmental entity, except for the Company.

14. DEFAULT

14.1. General. A "Default" means the occurrence of any of the following:

14.1.1. The failure to make, when due, any payment required pursuant to the Agreements, if such failure is not remedied within three business days after written notice.

14.1.2. A Party's failure to deliver or take Energy in breach of the Agreements as provided in Section 14.2.

14.1.3. The Customer's or the Company's failure to comply with any other covenant of the Agreements, if such failure is not remedied within thirty (30) days after the defaulting Party's receipt of a written notice describing the alleged failure.

14.1.4. The bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, including without limitation proceedings under Title 11, Chapter 9, United States Code or other proceedings for relief under any federal or state bankruptcy law or similar law for the relief of debtors, are instituted by or against the Customer or the Company and, if so instituted, said proceedings are consented to or are not dismissed within thirty days after such institution.

14.2. Failure to Deliver or Take Energy.

14.2.1. Company's Failure to Take. The Company is in Default if the Company fails to take Energy in breach of this Agreement and such failure is not remedied within thirty (30) days after its receipt of the Customer's written notice of default describing the alleged breach.

14.2.2. Customer's Failure to Deliver. The Customer is in Default, if the Customer, in breach of the Agreements, fails to deliver Energy in commercially reasonable time and size blocks and consistent with the Project Standards and if such failure is not remedied within ninety (90) days after the Customer's receipt of the Company's written notice describing the breach.

14.2.3. Multiple Violations. A Party shall not be entitled to an opportunity to cure a breach under Section 14.2, if, during the prior twelve (12) months, the Party on three or more occasions failed to deliver or take Energy.

14.3. Effect of Cure. If a Party timely cures a Default, then no Default shall exist and the noticing Party shall take no further action.

15. REMEDIES

15.1. In the event of a Default and subject to Sections 15.2 and 15.3, the non-defaulting Party may:

15.1.1. recover all amounts described in Section 14.1.1,

15.1.2. terminate the Agreements by giving the defaulting Party a notice of intent to terminate as provided in Section 18,

15.1.3. recover any amounts that accrued but were not yet payable prior to the Termination Date,

15.1.4. recover damages caused by the defaulting Party's Default,

15.1.5. bring any suit, action, or proceeding in law or in equity, including mandamus, injunction and action for specific performance, as may be necessary or appropriate to enforce any covenant, agreement or obligation of the Agreements, subject to satisfaction of the conditions in Section 17.

15.2. Limitation on Remedies and Damages for Failure to Deliver or Take Energy.

15.2.1. Definitions The following definitions apply to the computation of damages under this Section 15.2:

15.2.1.1. "Average Monthly Production" means the Facility's average monthly production during the time period from the commencement

of commercial operation to the Default or, if the Facility has been operated less than twelve months, the Estimated Annual Production divided by twelve.

15.2.1.2. “Default Period” means: the lesser of twelve months or the number of months or parts of months that the defaulting Party has not purchased or delivered Energy in Default of its obligations under the Agreements.

15.2.1.3. “Estimated Annual Production” means the annual estimate of Energy production, based on PVWatts® (NREL) or similar calculator, as set forth in Schedule 1 to Attachment B hereto.

15.2.1.4. “Rate” means the purchase price in Section 4.2 of the Sales Agreement.

15.2.2. In the event of a Default under Section 14.2, the non-defaulting Party’s exclusive remedies shall be termination of the Agreements and/or recovery of damages in an amount equal to the product of the Average Monthly Production, the Default Period, and the Rate. This computation of damages is not a penalty and represents a reasonable estimate of the non- defaulting Party’s damages given the difficulty, impossibility or cost of proving a more precise amount of damage, in light of the dollar amounts in issue.

15.3. Limitation of Remedies and Damages. Except for indemnification under Section 23, the Parties remedies and damages in the event of default are limited as follows:

15.3.1. WITH RESPECT TO A DEFAULT OR DAMAGE CLAIM FOR THE FAILURE TO TAKE OR DELIVER ELECTRICITY UNDER SECTION 14.2, A PARTY’S SOLE AND EXCLUSIVE REMEDY IS THE EXPRESS REMEDY OR MEASURE OF DAMAGES IN SECTION 15.2 AND THE OBLIGOR’S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED.

15.3.2. WITH RESPECT TO DEFAULTS FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS NOT PROVIDED IN SECTION 15.2, THE OBLIGOR’S LIABILITY SHALL BE LIMITED TO DIRECT, ACTUAL DAMAGES ONLY, SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. WITH RESPECT TO SUCH DEFAULTS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, OR IN TORT OR CONTRACT.

15.4. Notwithstanding the limitations in this Section 15, either Party may seek equitable relief to enforce the negotiation and mediation provisions of Section 17.

16. COMPANY'S DISCLAIMER OF WARRANTIES AND LIABILITY

THE AGREEMENTS ARE NOT INTENDED AND SHOULD NOT BE INTERPRETED AS CREATING A WARRANTY OF ANY KIND (WHETHER EXPRESS OR IMPLIED) CONCERNING THE COMPANY'S SYSTEM AND EQUIPMENT CONNECTED TO THE CUSTOMER'S GENERATION FACILITY, ALL OF WHICH ARE PROVIDED AND ACCEPTED "AS-IS." THE COMPANY EXPRESSLY DISCLAIMS ALL WARRANTIES INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

IN ADDITION, THE COMPANY IS NOT RESPONSIBLE FOR PROTECTING THE GENERATION FACILITY FROM FLUCTUATIONS ON THE COMPANY'S SYSTEM AND THE CUSTOMER SHALL BE SOLELY RESPONSIBLE FOR PROTECTING THE GENERATION FACILITY, PROPERTY AND PERSONS FROM SUCH FLUCTUATIONS. THE COMPANY SHALL NOT BE LIABLE FOR DAMAGES TO THE CUSTOMER, ITS GENERATION FACILITY OR PROPERTY, OR PERSONS LOCATED IN OR AROUND THE FACILITY CAUSED BY THE OPERATION, FAULTY OPERATION OR NON-OPERATION OF THE COMPANY'S SYSTEM EXCEPT AS PROVIDED IN SECTION 15.2.

17. DISPUTE RESOLUTION

17.1. Good Faith Resolution of Disputes. The Parties shall attempt to resolve all disputes arising hereunder promptly, equitably and in a good faith manner.

17.2. Mediation. If good faith negotiations do not resolve a dispute under this Agreement, a Party may submit to the other Party a notice of dispute and the Parties shall thereafter attempt to resolve the dispute through good faith negotiations. If the dispute is not resolved within ten (10) business days after the notice is served, the Parties shall submit the dispute to mediation by a mutually acceptable mediator. The mediation shall occur at the Company's offices or at such other location as the Parties may agree. In the event that mediation does not resolve the dispute, each Party shall then be free to enforce its rights under the Agreements through litigation.

17.3. Although the Parties intend to negotiate and mediate in good faith, they agree that no Party can be held liable in damages for an alleged breach of an obligation to mediate in good faith. The Parties further agree that no Party can be held liable for expenses incurred or opportunities foregone by the other Party in reliance on the Party's agreement to mediate in good faith.

17.4. Completion of good faith negotiations under this Section 17 is a condition precedent to a Party's right to commence litigation to enforce the Agreements, except for litigation seeking equitable relief to remedy an imminent threat of injury to person or property or to enforce this Section 17.

17.5. Waiver of Jury.

THE PARTIES WAIVE THE RIGHT TO A JURY TRIAL IN ANY LITIGATION CONCERNING THE AGREEMENTS OR THE PARTIES' ACTIONS IN RELATION TO THE AGREEMENTS' SUBJECT MATTER, WHETHER THE CLAIMS ARISE IN CONTRACT OR TORT OR UNDER STATUTE.

18. TERMINATION

18.1. The Agreements may be terminated as follows:

18.1.1. The Agreement terminates at the end of the term.

18.1.2. The Customer may terminate the Agreements at any time, by giving Company written notice of termination that identifies the Termination Date which shall not be earlier than thirty (30) days from the Company's receipt of the notice.

18.1.3. The Agreements shall terminate, automatically, if: (i) the Customer fails, for any reason including a Force Majeure, to obtain a Permit to Operate within six (6) months of the later of the effective date of the Agreements, (ii) either of the Agreements is terminated for any reason including a Force Majeure, (iii) the Customer ceases to be a General Services Customer at the Service Address or to be the owner of the Generation Facility, or (iv) a Party attempts to assign either or both of the Agreements in violation of Section 20. In the event of termination under this Section 18.1.3, and without further action by a Party, the Termination Date shall be the date on which a Party provides notice of the termination to the other party.

18.1.4. In the event of a Default and except as provided in Section 18.1.3, the non-defaulting Party may terminate the Agreements by giving the defaulting Party a notice of intent to terminate that describes the Default and identifies the Termination Date which shall not be earlier than the date of the defaulting Party's receipt of the notice.

18.1.5. If a Force Majeure is not resolved within six (6) months as provided in Section 24, a Party may terminate the Agreements by giving the other Party a notice of termination that identifies a Termination Date, which shall not be earlier than the date of the other Party's receipt of the notice.

18.2. Notwithstanding any other provision of the Agreements, the termination of one of the Agreements terminates both Agreements.

19. Disconnection and Survival of Obligations on Termination.

19.1. On the Termination Date, the Company may disconnect the Generation Facility from the Company's System and the Parties' respective obligation to sell or buy Generation Energy shall terminate, except for the obligation to pay for Energy delivered prior to the Termination Date.

19.2. The provisions of the Agreements shall survive the termination or expiration to the extent necessary to accomplish their purpose and to permit their full performance. Without limiting the foregoing, the following rights or obligations survive termination of the Agreements:

19.2.1. a right based on breach or performance of the Agreements prior to the Termination Date;

19.2.2. the obligation to make payment that accrued prior to the Termination Date whether or not due on the Termination Date;

19.2.3. the obligation to indemnify under Section 23;

19.2.4. the Company's right to disconnect the Generation Facility under Section 10 and to enter the Customer's property to remove the Meter and disconnect the Generation Facility;

19.2.5. the dispute resolution provisions of Section 17 and the choice of law and forum provisions of Section 25.12;

19.2.6. a term limiting the time for commencing an action or for giving notice;

19.2.7. a limitation of remedy or modification or disclaimer of warranty;

19.2.8. any term that the agreement provides will survive; and

19.2.9. the Generation Facility will be disconnected from Company's System.

20. ASSIGNMENT

20.1. Except as provided in Section 20.6, a Party shall not assign or attempt to assign the Agreements unless: (a) the assigning Party simultaneously assigns both Agreements to the same assignee as provided in Section 20.2 and (b) the assigning Party obtains the prior, written consent of the other Party.

20.2. A Party may request the other Party's consent to an assignment by a written request that includes: (a) the proposed assignee's name, mail and email addresses, and principals, (b) documentation showing that the proposed assignee has an equal or greater credit rating than the assigning Party and has the legal authority and operational ability to

satisfy the obligations of the assigning Party under the Agreements (including, as to the Customer, those obligations relating to the size, location and operation of the Generation Facility), and undertakes in writing to perform those obligations.

20.3. As a condition to consenting to the assignment, the Company may require the assignee to submit an Application and to qualify for participation in the Program.

20.4. Any attempted assignment that violates this article is void and ineffective and causes termination of the Agreements under Section 18.1.3.

20.5. An assignment shall not relieve a Party of its obligations under the Agreements. A permitted assignee is responsible for meeting the same financial, credit, and insurance obligations as the assigning Party.

20.6. The Customer may assign its right to payment under the Sales Agreement to a financial institution without the Company's consent, provided that the assignment is in a writing that expressly excludes the assignment or delegation of any other right or obligation under the Agreements including, without limitation, the right to operate the Generation Facility interconnected to the Company's System or to sell the Energy to the Company.

21. LIABILITY

21.1. The Company shall not be liable or responsible for the safety, reliability, design, or protection of the Generation Facility from the operation of the Company's System. The Company's approval of the Application including the design and specifications of the Generation Facility or the Customer's compliance with this Agreement or the Program Standards does not mean that the Generation Facility is safe or may be reliably or economically operated. The Customer is solely responsible and assumes all risk and liability for the economical, safe, and reliable operation of the Generation Facility.

21.2. The Program Standards are designed to protect the Company's distribution system and not specifically the Customer's Generation Facility. The Customer is solely responsible for providing adequate protection for the Generation Facility and all associated equipment. The Customer's protective devices must not impact the operation of other protective devices utilized on the Company distribution system in a manner that would affect the Company's ability to provide reliable service to its customers.

The Generation Facility's protective functions must sense abnormal conditions and disconnect the Generation Facility from the Company distribution system during abnormal conditions. All Generation Facilities must be capable of sensing line-line-line, line-line, and line-ground faults on the distribution feeder supplying the Generation Facility and must disconnect from the line to protect both the line from further damage and the generator from damage due to excessive currents or unusual voltages. The settings of these relays will be coordinated with the Company substation relaying.

21.3. The Company is a political subdivision of the State of Utah and, as such, its liability is governed, limited and controlled by the Governmental Immunity Act of Utah, Utah Code Ann. § 63G-7-101 *et seq.*, as now or hereafter amended. This Agreement is not intended and should not be interpreted as a limitation or waiver of the immunities and procedures provided in the Act.

21.4. The Agreements, Program Standards, or related documents are not intended and should not be interpreted as creating any duty to, any standard of care with reference to, or any liability to any third person.

22. INSURANCE

22.1. Types and Amounts of Insurance. The Customer shall not commence or continue operation of the Generation Facility while connected to the Company's System unless the Customer has obtained and maintains in good standing and at its own expense, insurance of the following types and amounts:

22.1.1. Property Insurance. The Customer shall provide all- risk property insurance for the loss of or damage to the Generation Facility and/or the property on which the Generation Facility is located in the amount of the value of the insured property.

22.1.2. General Commercial Liability Insurance. The Customer shall provide general commercial liability insurance as follows: \$300,000 per occurrence and \$1,000,000 annual aggregate. The commercial general liability insurance shall include, but not be limited to, commercial general liability, completed operations liability, protective liability, blanket contractual liability, products liability and broad form property damage. The amount of coverage, as a combined single limit, shall apply to bodily injury, sickness, disease or death, personal injury, damage to or destruction of the property of persons which may occur directly or indirectly out of or arise out of or in connection with the construction, operation, and maintenance of the Generation Facility and for the defense of claims arising therefrom.

22.2. Terms of Insurance.

22.2.1. Additional Insured. The Company and its members, directors, officers, employees, consultants and contractors ("Insureds") shall be additional insureds by endorsement (I.S.o. Form "B:CG2010" or its equivalent) under the Commercial General Liability insurance policies as to bodily injury, sickness, disease or death, personal injury, damage to or destruction of the property of persons which may arise directly or indirectly out of or in connection with the construction, operation and maintenance of the Generation Facility.

22.2.2. Primary Insurance. The Customer's insurance shall be primary with respect to the additional Insureds; and insurance coverage maintained by the Company shall be in excess of the Customer's insurance and be non-contributing.

22.2.3. Waiver of Subrogation. The Customer's insurance carriers by endorsement (1.S.0. Form #CG 2404 11 85 or its equivalent) shall waive their rights of recovery against the Company, its members, directors, officers and employees, and their successors or assigns including their directors, officers and employees individually and collectively.

22.2.4. Separate or Cumulative Coverage. By endorsement (1.S.0 Form #CG 2501 11 85 or its equivalent), the limits of Commercial General Liability Insurance as required in the Agreements shall apply separately to the Generation Facility or its operation and shall not be reduced by other claims unless the insurance carrier has provided an endorsement agreeing, during the Agreements terms, to immediately notify the Company each time the Commercial General Liability limits have been impaired by more than ten percent (10%), either cumulatively or severally, of the limits indicated on the certificate.

22.2.5. Notice of Cancellation or Modification. The endorsement shall provide that the insurance carrier will give the Company with thirty (30) days advance written notice of cancellation, nonrenewal or any material change in the coverage for all insurance policies required in the Agreements.

22.3. Certificates of Insurance. As a condition to issuance of a Permit to Operate, the Customer shall provide certificates of insurance for the policies described above. The certificates and related endorsements must be satisfactory to the Company as to form and content and must comply with all insurance requirements as set forth herein or the certificate and endorsement may be rejected; and, at its option, the Company may terminate the Agreements.

23. INDEMNIFICATION

Each Party ("Indemnifying Party") indemnifies and saves harmless and defends the other Party and its members, directors, officers, employees, consultants, attorneys, and contractors ("Indemnities") against any and all third party claims, liability, loss, damage, cost, expense, award, fine, settlement or judgment (including attorneys' fees and costs) to the extent caused by the Indemnifying Party's acts or omissions occurring in connection with the Indemnifying Party's construction, operation and maintenance of its facilities under the Agreements ("Claim"). If the Claim is asserted by an employee of the Indemnifying Party, anyone directly or indirectly employed by the Indemnifying Party or anyone for whose acts the Indemnifying Party may be liable, the indemnification obligation under this Section 23 shall not be limited by a limitation on amount or type of damages, compensation or benefits payable by or for the Indemnifying Party's workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts.

24. FORCE MAJEURE

24.1. A Party is not in Default in the performance of its obligations if the Party's inability to perform is due to a Force Majeure. The claiming Party shall, in a manner consistent with Prudent Utility Practices, make reasonable efforts to remedy the Force

Majeure or its effect and to resume performance. The claiming Party is only be excused from performance for the shorter of the duration of the Force Majeure or of the time period reasonably required for the claiming Party to remedy the Force Majeure or its effects.

24.2. The claiming Party shall promptly give the other Party notice of the Force Majeure its nature, cause, commencement date, and anticipated duration. The claiming Party shall also promptly notify the other Party when performance can resume.

24.3. A Force Majeure shall not excuse performance of an obligation not affected by the Force Majeure or of an obligation to make payments then due or accruing prior to the Force Majeure.

24.4. The non-claiming Party shall not be required to perform or resume performance of its obligations to the claiming Party corresponding to the obligations of the claiming Party, excused by Force Majeure.

24.5. If the claiming Party has not remedied the Force Majeure or its effect within six (6) months, either Party may terminate the Agreements.

25. GENERAL PROVISIONS

25.1. Entire Agreement. This Interconnection Agreement and the Sale Agreement with exhibits and attachments shall form a single integrated agreement between the Parties and these Agreements contain the entire agreement between the Parties concerning the subject matter thereof and supersede and cancel agreements, all previous representations, warranties, commitments and writings in respect thereto, whether oral or otherwise.

25.2. Parties' Authorized Representatives. A Party, by written notice to the other, shall designate the representative ("Authorized Representative") who is authorized to act on its behalf with respect to the Agreements and the Party rights and duties under the Agreements. The following are the Parties' respective Authorized Representatives:

For the Customer:

[Name/Address/email/text]

] For the Company:

[Name/Address/email/text]

A Party may change its Authorized Representative upon oral notice given to the other, confirmed promptly by written notice.

25.3. Notices. All notices, requests, statements or payments shall, unless otherwise specified herein, be in writing and may be delivered by hand delivery, United States mail, overnight courier service, or electronic mail to the Party's Authorized Representative. Notice by facsimile, electronic mail, or hand delivery shall be effective at the close of business on

the day actually received, if received during business hours on a business day, and otherwise shall be effective at the close of business on the next business day. Notice by overnight United States mail or courier shall be effective on the next business day after it was sent. A Party may change its addresses by providing notice of same in accordance herewith.

25.4. Waiver. A Party's failure to insist upon the strict compliance with any term, provision or condition of the Agreements shall not constitute or be deemed to constitute a waiver or relinquishment of that Party's right to enforce the same in accordance with this Agreements.

25.5. Headings Not to Affect Meaning. The descriptive headings used for the various Articles and sections herein have been inserted for convenience and reference only and shall in no way affect the meaning or interpretation, or modify or restrict any of the terms and provisions hereof.

25.6. No Dedication of Facilities. No undertaking or commitment by one Party to the other Party under this Agreement shall constitute the dedication of the system or any portion thereof of any Party to the public or to the other Party.

25.7. Relationship of the Parties. Nothing contained in this Agreement shall be construed to create an association, joint venture, partnership or any other type of entity or relationship between Company and Customer, or between either or both of them and any other Party. Each Party shall be solely responsible for the means, methods, techniques, sequences and procedures of any work, tasks or other activity under the Agreements, each Party shall be responsible for its own actions and the actions of others, it has retained, in the design or selection of a specific means, method, technique, sequence, or procedure of any work, tasks or other activity under the Agreements. Without limiting the foregoing, a Party has no authority over the compensation or terms and conditions of employment of the employees or workers of the other Party or its contractors or subcontractors.

25.8. Third-Party Beneficiaries. The Agreements are intended solely for the benefit of the Parties, and nothing therein will be construed to create any duty to, or standard of care with reference to, or any liability to, any person not a Party.

25.9. Counterparts. The Agreements may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

25.10. Modifications and Amendments. The Agreements may only be modified or amended by a writing signed by each Party or its authorized representative. The Parties have the right to amend or modify the Agreements without the approval of any third-Party.

25.11. Attorneys' Fees. In the event litigation involving the Agreements, the prevailing Party shall be entitle to recover its attorneys' fees and costs.

25.12. Governing Law and Forum. This Agreement shall be interpreted, construed and be subject to the laws of the State of Utah, without regard to principles of conflicts of laws. Any suit, action or other legal proceeding arising out of or relating to this Agreement may only be brought in the Fourth Judicial District Court in and for Wasatch County, Utah. As provided in Section 17.5, the Parties waive their right to a jury trial.

25.13. Waivers. A Party's waiver of or failure to assert any right with respect to any breach of this Agreement, or with respect to any other matter arising in connection with this Agreement, shall not constitute a waiver with respect to any other breach or matter arising in connection with this Agreement. All waivers must be in writing and signed by an authorized representative of the Party granting the waiver.

25.14. Cumulative Rights and Remedies. All rights and remedies provided by this Agreement or available in law or equity are cumulative of each other and the exercise of one or more rights or remedies shall not prejudice or impair the concurrent or subsequent exercise of other rights or remedies.

Agreed to this _ day of _____, 20_

by [Customer Name]

By: _____ Its: _____

Heber Light & Power Company

By: _____ Its: _____

ATTACHMENT D

POWER SALES AGREEMENT

This Power Sales Agreement ("Sales Agreement") is made and entered into this __ day of _____, 20__ by and between _____ ("Customer") and the Heber Light & Power Company ("Company").

RECITALS:

WHEREAS, the Company's Feed-In Tariff Program gives qualifying customers the opportunity to connect Generation Facilities to the Company's distribution system pursuant to an Interconnection Agreement and to sell the power produced by the Generation Facilities to the Company pursuant to a Power Sales Agreement.

WHEREAS, the Customer receives retail electric power service from the Company at _____ ("Service Address") under an account in its name.

WHEREAS, the Customer has submitted an Application to Participate in the Feed-In Tariff ("FIT") Program.

WHEREAS, the Company has approved the Customer and its Generation Facility described in the Application for participation in the Company's FIT Program.

WHEREAS, the Company and the Customer wish to enter into this Power Sales Agreement to provide for the Customer's sale and the Company's purchase of the Energy generated by the Generation Facility and delivered to the Production Meter.

AGREEMENT:

1. **DEFINITIONS** The capitalized terms in this Sales Agreement are defined in Attachment A.

2. **PURPOSE OF SALES AGREEMENT**

2.1. This Sales Agreement: (a) governs the Parties' respective rights and obligations with respect to the purchase and sale of the capacity and the Energy generated by the Generation Facility and (b) applies only to the Generation Facility described in the Approved Application and operating at the Customer's Service Address.

2.2. This Sales Agreement does not give the Customer the right to retail electric service or to transmission of the Generation Facility's Energy on the Company's System and does not modify or otherwise affect any other agreement between the Company and the Customer.

3. **TERM** This Sales Agreement shall become effective ("Effective Date") when both Parties execute the Interconnection Agreement and the Sales Agreement and shall continue in

effect for a period of [INSERT TERM] years from the date of issuance of the Permit to Operate and from year-to-year thereafter, unless terminated earlier under Section 18 of the Interconnection Agreement.

4. PURCHASE AND SALE OF CAPACITY AND ENERGY

4.1. Facility Capacity and Output. Upon issuance of the Permit to Operate and during the term of the Agreements, Customer shall sell and the Company shall purchase all of: (a) the Facility's capacity and (b) the Facility's Energy output delivered to the Production Meter in commercially reasonable time and size blocks and consistent with the Project Standards.

4.2. Purchase Price. The Company shall pay for the Facility's capacity and Energy at the FIT rate on a dollars per kWh of Energy produced basis during the month. This FIT rate shall be updated annually by the Company. See Section D. Rate Agreement in the Feed-In Tariff Program Guidelines for additional detail.

4.3. Renewable Energy Credits. [TO BE NEGOTIATED.]

4.4. Monthly Statement. Each month, the Company shall provide the Customer with (a) a monthly statement ("Monthly Statement") of the Energy produced and the amount due and (b) payment of the amount due. The Monthly Statement and payment will be provided at the time that Company ordinarily bills the Customer for retail electric service at the Service Address.

4.5. Objection to Statement. Within thirty (30) days of its receipt, the Customer may object to the Monthly Statement's computation of Energy produced and/or amount due. The objection shall state the grounds for the objection and be resolved as provided in Section 17 of the Interconnection Agreement. If the Customer does not timely object, the Parties shall be conclusively bound by the Monthly Statements computation of the Energy produced and/or amount due, except as provided in Section 5.

4.6. Title and Risk of Loss. Title to and risk of loss related to the Energy shall transfer from the Customer to the Company at and after the Energy is delivered to the Production Meter.

4.7. Exception to Deliver and Purchase Obligations. The Parties respective obligations to deliver and purchase the Energy under this Section 4 are excused to the extent provided in Section 10 of the Interconnection Agreement.

4.8. Source of Company Funds. The Company's obligation to pay for the Facility's capacity and Energy is an operating expense of the Company's System and a cost of purchased electric power and energy and is, solely, payable from the revenues derived from the operation of the Company's System. The Company covenants to and agrees that it will include the payments required under this Section 4 as a cost of purchased electric power and energy and as an operating expense in the Company's annual operating budget.

5. MEASUREMENT OF FACILITY PRODUCTION

5.1. The Company shall install, own, maintain, repair and replace the Production Meter as provided in Section 7 of the Interconnection Agreement.

5.2. If the Production Meter under- or over-reports the Energy production by more than two percent (2%), then the Company shall correct the Monthly Statement in the next Monthly Statement for the under- or over-reported production for (a) the actual time period during which the error occurred, if such period can be determined, or (b) if such period cannot be determined, then a period equal to one-half (1/2) of the period from the date of the last previous test confirming the Production Meter's accuracy, provided, however, that such period in either event shall not exceed one (1) year. Payment of such billing shall constitute full adjustment of any claim between the Parties arising from an inaccurate the Production Meter.

6. ENTIRE AGREEMENT This Interconnection Agreement and the Sale Agreement with exhibits and attachments shall form a single integrated agreement between the Parties and these Agreements contain the entire agreement between the Parties concerning the subject matter thereof and supersede and cancel agreements, all previous representations, warranties, commitments and writings in respect thereto, whether oral or otherwise. Without limiting the foregoing, the Parties, for convenience, reference the following sections of the Interconnection Agreement as applicable to the Sales Agreement:

Section 3 Term
Section 4 Customer's Compliance with Applicable Law
Section 13 Customer Representations and Warranties
Section 14 Default
Section 15 Remedies
Section 16 Company's Disclaimer of Warranties and Liability
Section 17 Dispute Resolution
Section 18 Termination
Section 19 Disconnection and Survival of Obligations on Termination
Section 20 Assignment
Section 21 Liability
Section 22 Insurance
Section 23 Indemnification
Section 24 Force Majeure
Section 25 General Provisions

[signatures follow]

Agreed to this _ day of _____, 20_.

by [Customer Name]

By: _____ Its: _____

Heber Light & Power Company

By: _____

Agenda Item 6: Wholesale Power Report

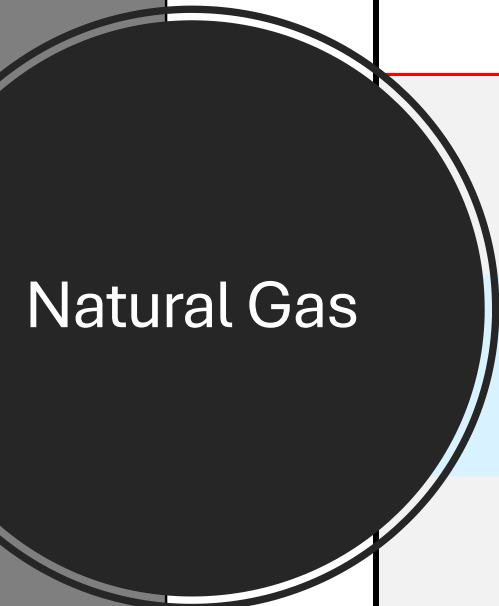


Board Meeting January 24, 2023

Wholesale Power Report

November 2024





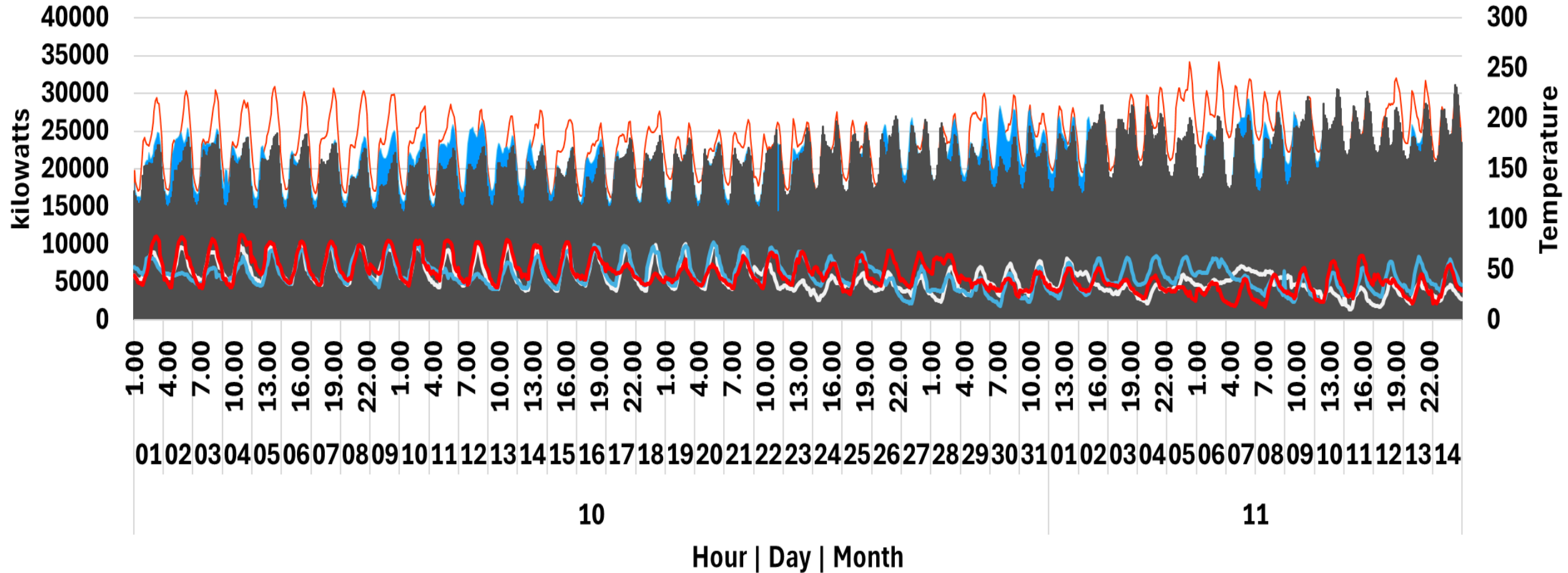
Natural Gas (NG) Cost					
	NG Budget (\$)	NG Actuals (\$)	NG PTD	Budget to Actuals	
Q1	296,264	381,308	367,646	85,044	
Q2	348,115	344,989	309,232	(3,126)	
Q3	291,758	340,240	319,083	73,476	
Oct	123,968		85,161		
Nov	144,889				
Dec*	200,006				
Q4					
Total	1,405,000	1,066,537	995,961		
YTD	936,137	1,066,537	995,961	12%	

Wholesale Power

Power Purchases (PP) Cost					
2024	PP Budget (\$)	PP Actual Cost (\$)	PP PTD	Budget to Actuals	
Q1	4,363,055	3,238,621	3,319,341	(1,124,434)	
Q2	2,743,946	2,677,249	2,084,602	(66,697)	
Q3	3,960,171	3,045,782	3,557,417	(914,388)	
Oct	870,723		749,062		
Nov	950,274				
Dec*	1,370,604				
Q4					
Total	14,258,773	8,961,653	9,710,422		
YTD	11,067,172	8,961,653	8,961,360	-19%	

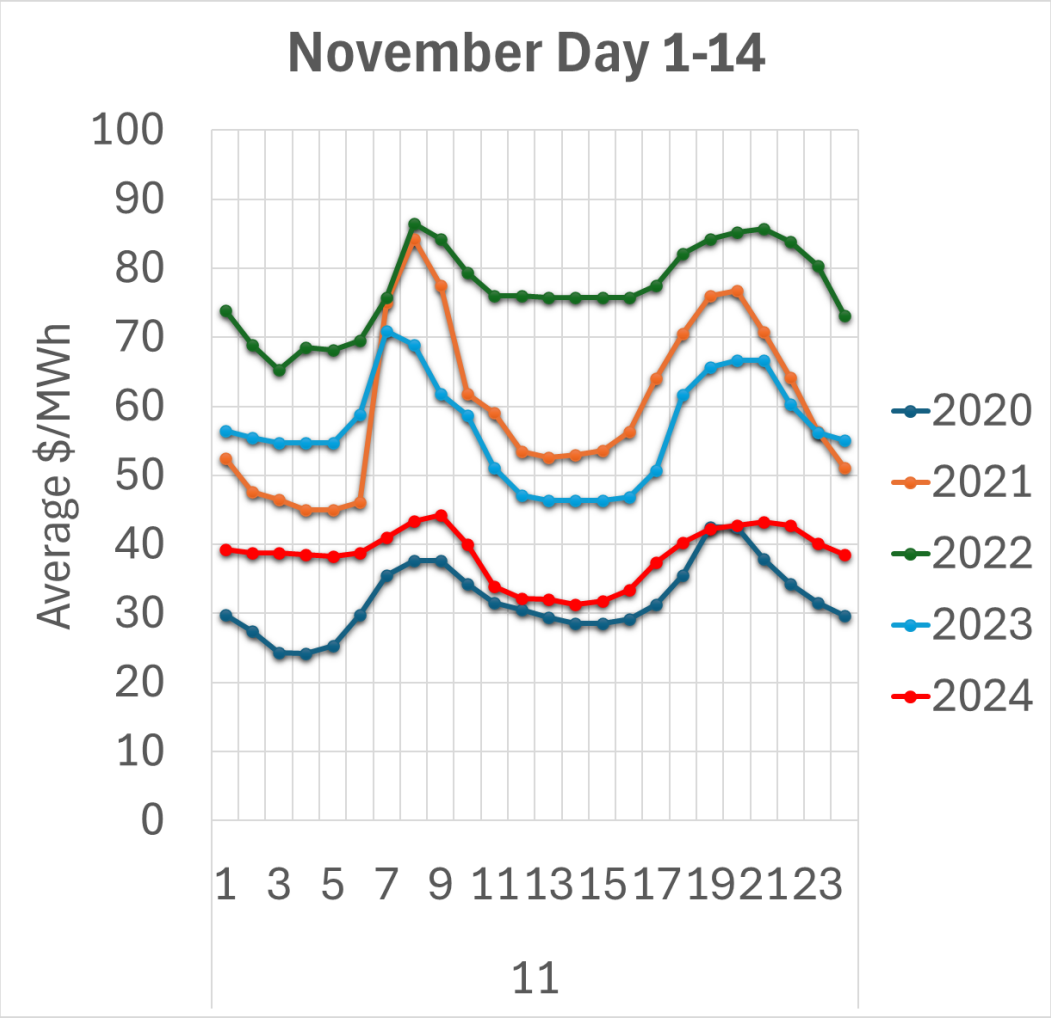
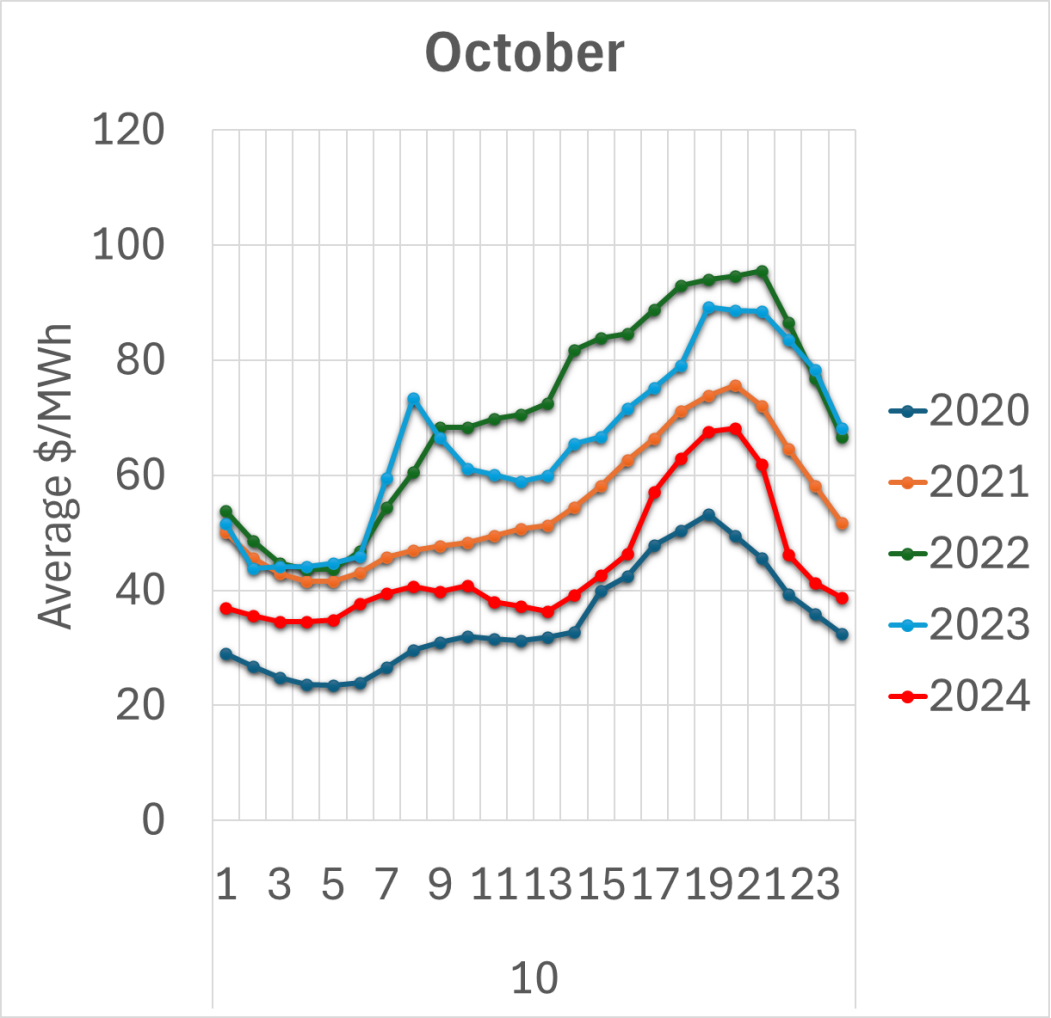
System Load & Temperature

October 1- November 14, 2022-2024



Sum of 2024 SL Sum of 2023 SL Sum of 2022 SL Sum of 22 TEMP Sum of 23 TEMP Sum of 24 TEMP

October & November Power Exchange \$/MWh



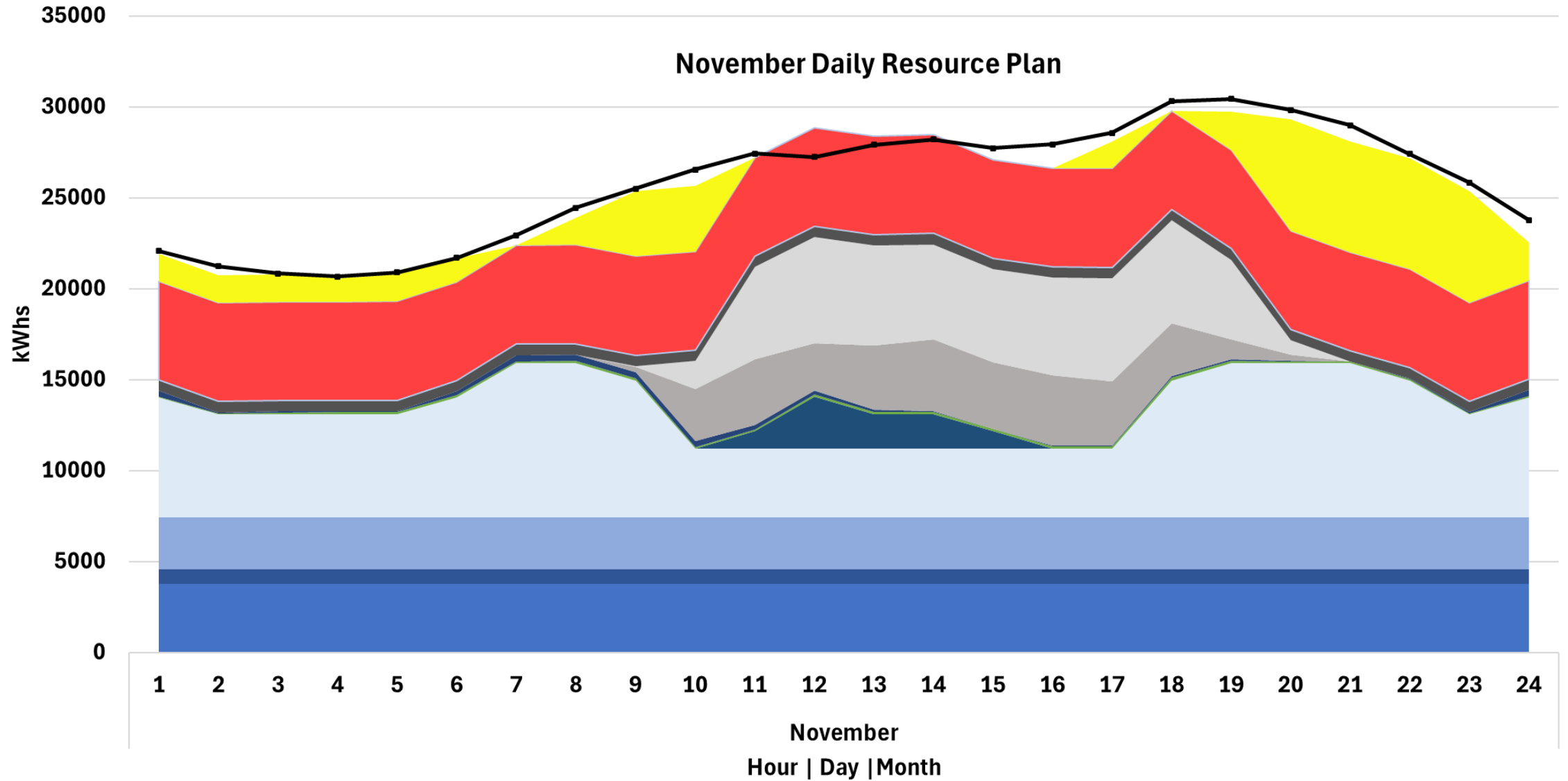
Winter Resource Plan

Winter Market Power Purchases

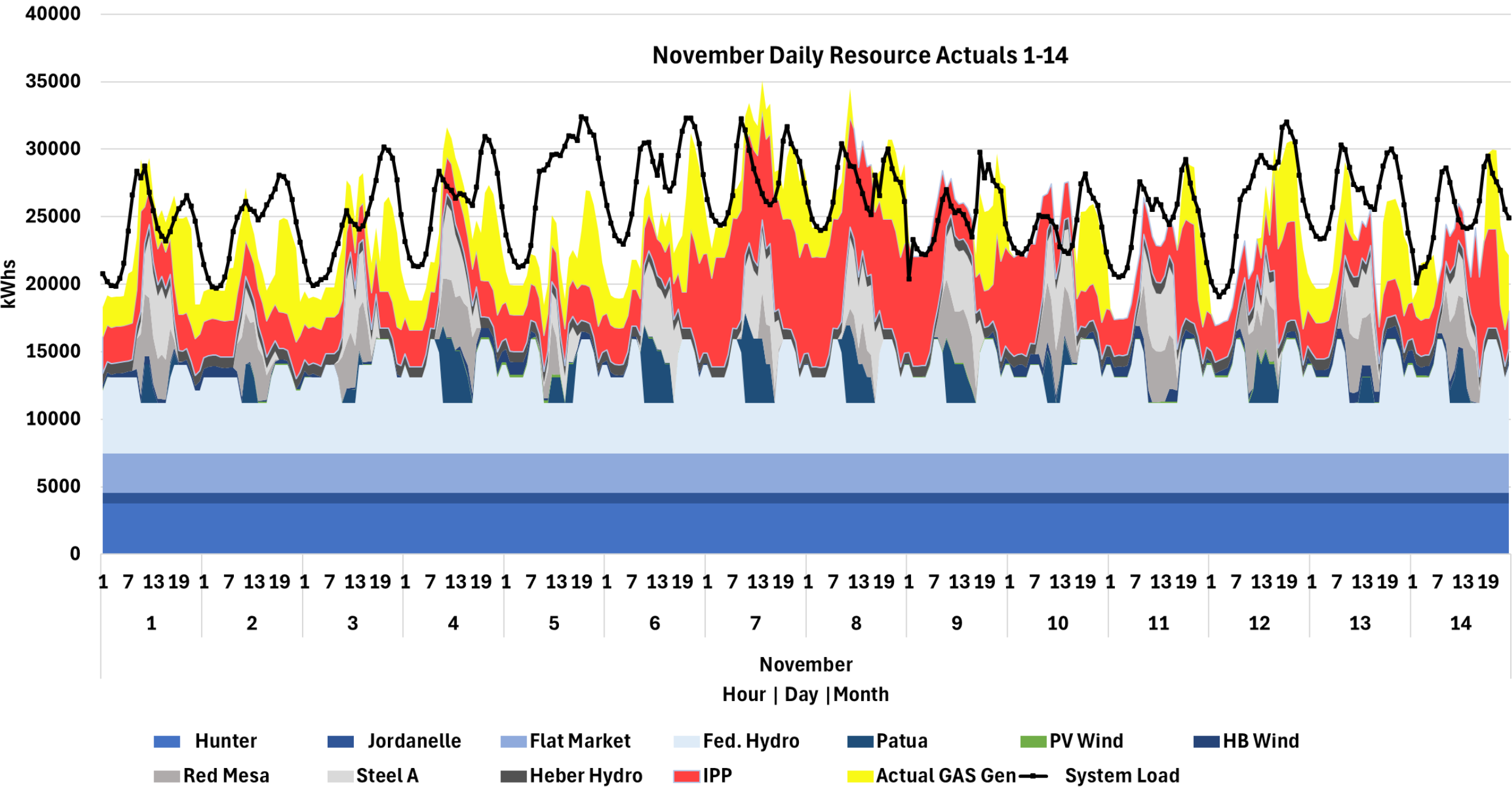
- **November: No additional purchases**
- **December: 5MW \$57.61/MWh**
- **January: 10MW \$60.12/MWh**
- **February: 10MW \$49.64/MWh**



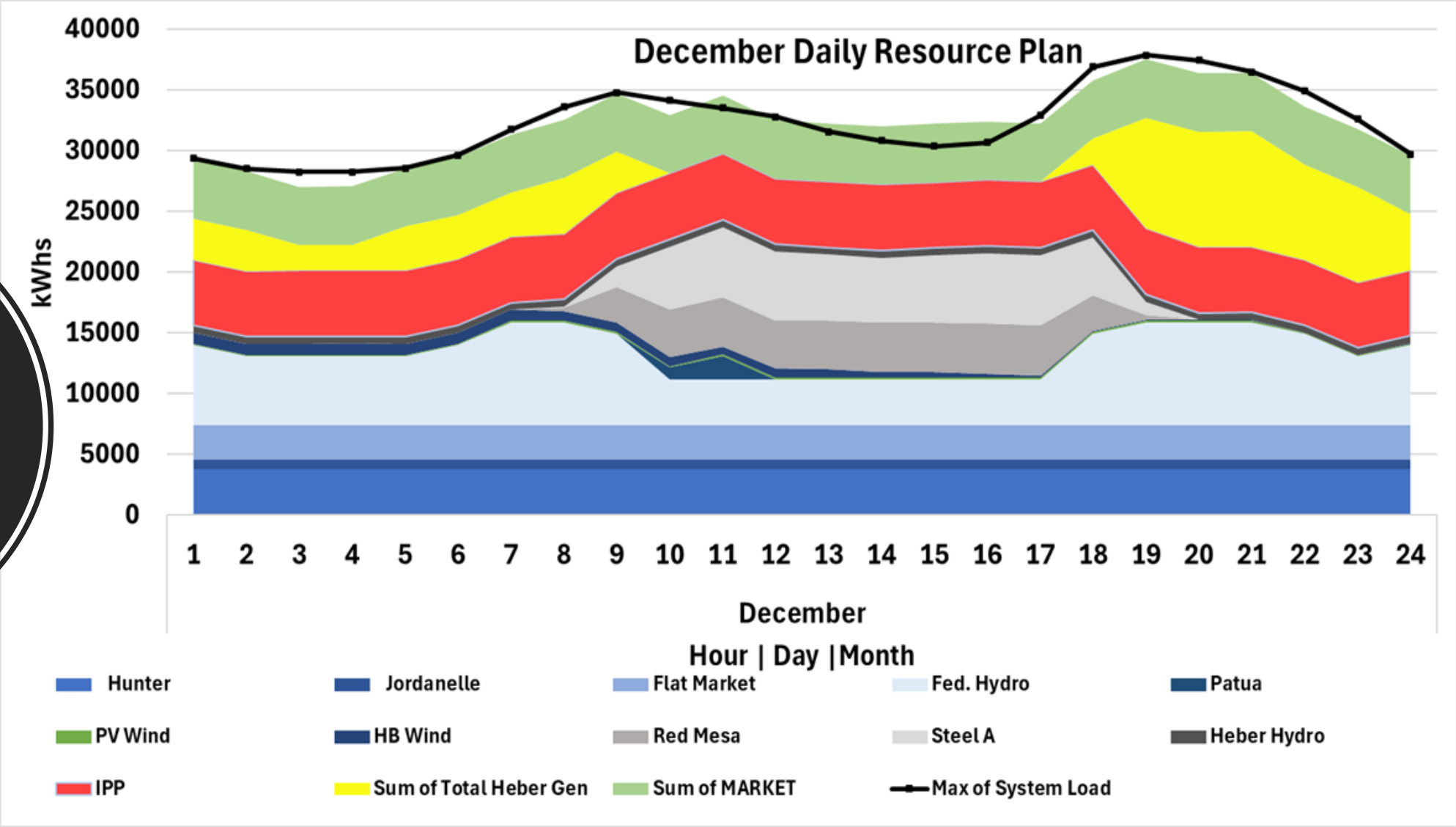
November Daily Resource Plan



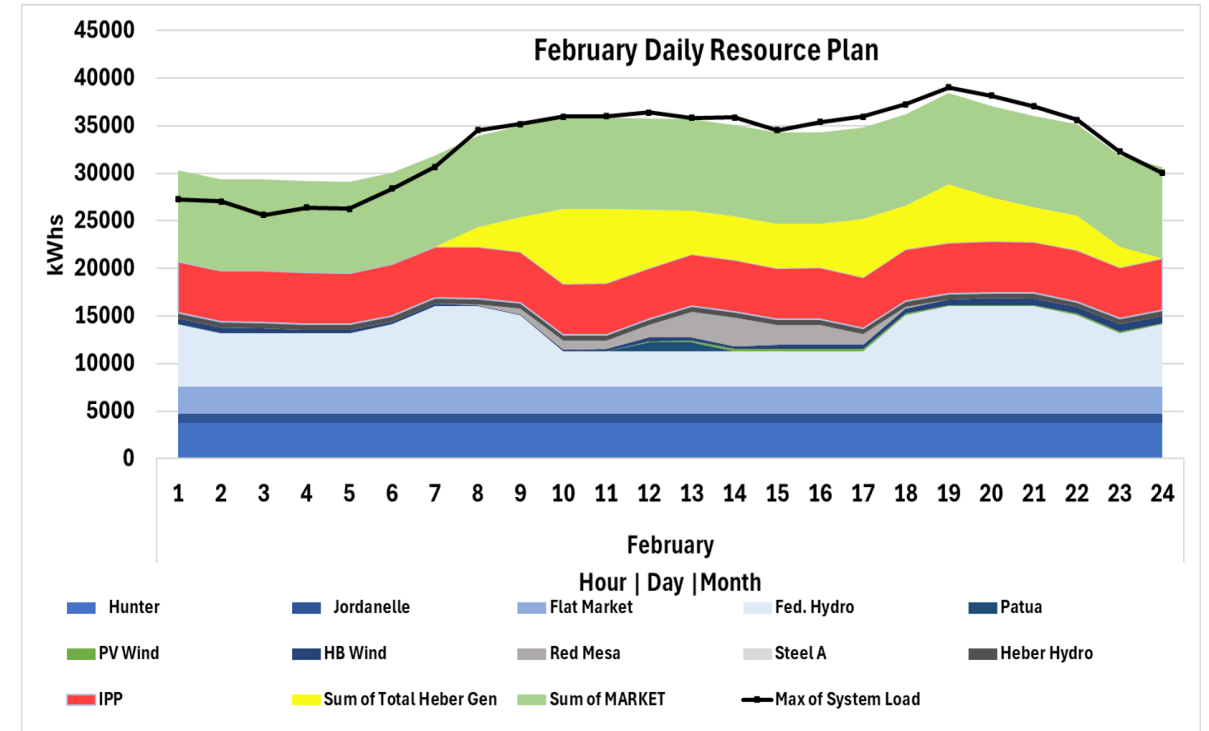
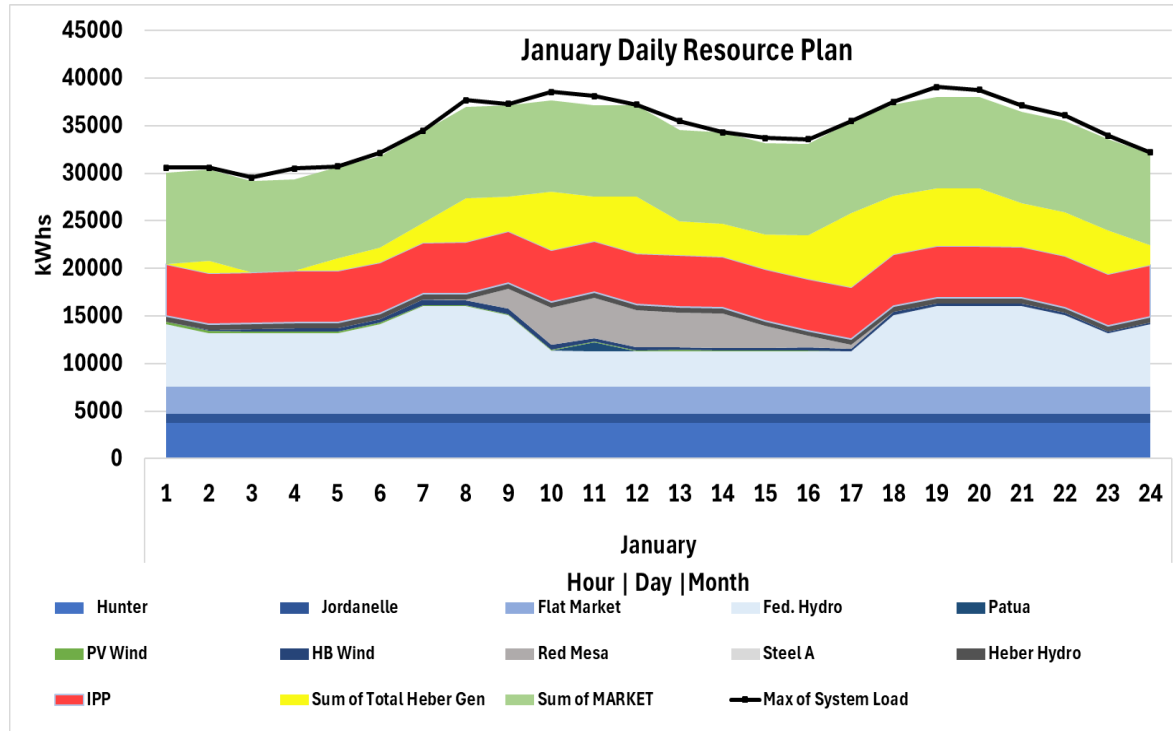
November Daily Resource Actuals 1-14



December
2024



January February Resource Plan



Public Hearing on 2025 Budget and Fee Schedule



Board Meeting January 24, 2023



Heber Light & Power

Calendar Year 2025

Fees/Rates, Operating and Capital Budgets

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2025 Rates/Fees

Fees

Description	Amount	Comments
<u>Billing/Office Fees</u>		
Convenience Fee	3%	Used on Impact Fee and Work Order credit card payments only
Late Payment Charge (Compounded)	1.5%	Applied on any past due amounts
Returned Payment Charge	15.00	
Reconnect Fee	30.00	
Service Application Fee	20.00	
Seasonal Disconnect Fee	50.00	
<u>Construction Fees</u>		
Impact Fee	Amperage Calc	Included in current schedule
Line Extension/New Development - Installation	Bid Estimate	Estimate for Labor, Materials, and Overhead provided upon request
Initiation/Will Serve	200.00	Check only
Design Fee	300.00	This is a per development phase fee
Design Fee (resubmit)	20.00	Per residential/commercial unit
Truck Roll Fee	85.00	Set fee for extra vehicle trips, i.e. reinspection, meter verification, troubleshooting customer side, etc...
Dig-in/Damage Mobilization Fee	Graduated	\$300 minimum, \$1,000/hr. when outage exceeds 1 hr.
Temporary Meter Connection	500.00	Fee for new services that desire a temporary meter set
<u>New Service / Meter Related Fees</u>		
Wire Pull (up to 400 amps)	380.00 plus meter	Customer responsible for wire on services larger than 400 amps.
Meter Installation Fee – Single Phase	235.00	All new meter issuances regardless of reason, does not include replacement meters.
Meter Installation Fee – 3-Phase	470.00	
Meter - Nonstandard Meter - Monthly Meter Reading Charge	20.00	Typically, those meters that must be manually read
Net Metering - Application Fee	400.00	Included in current schedule.
<u>Device Fees</u>		
Generation Transfer Switch - Preliminary Inspection Fee	100.00	Verification trip for sizing and device appropriateness
Generation Transfer Switch - Installation Fee	100.00	Installation and meter re-installation
Outside Lighting (Yard Lights)	\$7.50/Month	Set fee regardless of consumption levels
Outside Lighting Maintenance	25.00 plus parts	

Electric Service Rates

Residential

Base/Customer Charge: ≤ 400 AMP / > 400 AMP	17.90 / 33.90
1st 1,000 kWh	0.10436/kWh
All Additional	0.12476/kWh
Solar Net Meter	(0.0900)/kWh

Residential (Time-of-Use) Opt-in

Base/Customer Charge: ≤ 400 AMP / > 400 AMP	17.90 / 33.90
Winter On-Peak	0.15251/kWh
Winter Off-Peak	0.07663/kWh
Summer On-Peak	0.21256/kWh
Summer Off-Peak	0.10489/kWh

Residential - Pumping

Base/Customer Charge	26.00
Demand Rate	9.85/kW
All kWh	0.06092/kWh

General Service - Small (1kW $< X \leq 30$ kW) (Single Phase)

Base/Customer Charge	23.00
Demand Rate	11.60/kW
1st 500 kWh	0.078/kWh
All Additional	0.05544/kWh

General Service - Small (1kW $< X \leq 30$ kW) (3-Phase)

Base/Customer Charge	31.00
Demand Rate	11.60/kW
1st 500 kWh	0.078/kWh

General Service - Small (1kW $< X \leq 30$ kW) Pumping

Base/Customer Charge	38.50
Demand Rate	9.85/kW
All kWh	0.06092/kWh

General Service - Medium (> 30 kW & ≤ 250 kW)

Base/Customer Charge	145.00
Demand Rate	13.95/kW
1st 500 kWh	0.05662/kWh
All Additional	0.05662/kWh

General Service - Medium (> 30 kW) - Pumping

Base/Customer Charge	145.00
Demand Rate	9.85/kW
All kWh	0.06092/kWh

General Service - Large (> 250 kW)

Base/Customer Charge	342.00
Demand Rate	15.10/kW
All kWh	0.05289/kWh

Energy Rebate Schedule

Energy Star Rated Appliance (per Terms and Conditions)	Rebate Amount
Air Source Heat Pump Replacement	\$250 - \$1,600 Based on Upgrade or Conversion and Efficiency Rating
Ceiling Fans	\$20
Central Air Conditioner	\$350 - \$750 Based on Efficiency Rating
Duel Fuel Heat Pump	\$1,400 - \$1,800 Based on Efficiency Rating
Ductless Heat Pump	\$600 - \$1,700 Based on Efficiency Rating and Unit Heads
ECM Furnace Blower	\$100
Ground Source Heat Pump	\$2,500
Heat Pump (Hybrid) Water Heater	\$1,000
Heat Tape Timer	\$100
Refrigerator	\$50
Smart Thermostat	\$75
Whole House Fan	\$75

Heber Light & Power Company

2025 Budget – Executive Summary (State Format)

	2023 Actual	2024 Budget	2024 Forecast	2025 Budget
REVENUES				
Electricity Sales	\$23,757,231	\$25,725,723	\$26,814,331	\$27,162,850
Electricity Sales - Jordanelle	1,834,964	1,605,896	1,502,809	1,542,601
Connect Fees	149,673	140,741	186,249	188,199
Other / Miscellaneous Income	249,911	289,063	286,245	287,251
<i>Total Revenues</i>	<i>\$25,991,779</i>	<i>\$27,761,423</i>	<i>\$28,789,634</i>	<i>\$29,180,901</i>
COST OF ELECTRIC SERVICE				
Power Purchases	(11,442,806)	(15,132,641)	(15,066,748)	(14,675,062)
Power Purchases - Jordanelle	(1,834,964)	(1,605,896)	(1,502,809)	(1,542,601)
Salaries, Wages, Benefits (Unall	(1,012,834)	(1,137,489)	(1,005,317)	(1,243,314)
System Maintenance / Training	(5,352,559)	(5,295,605)	(4,663,009)	(5,165,295)
Depreciation (Unallocated)	(3,398,471)	(3,125,000)	(3,735,545)	(4,605,774)
Gas Generation	(1,861,785)	(1,927,966)	(2,931,801)	(3,169,394)
Other	(309,337)	(356,450)	(379,635)	(379,113)
Vehicle	(524,814)	(426,067)	(505,109)	(523,499)
Office	(153,808)	(179,545)	(157,192)	(155,298)
Energy Rebates	(54,179)	(150,000)	(283,014)	(150,000)
Professional Services	(225,172)	(232,000)	(232,591)	(231,435)
Materials	(180,777)	(230,765)	(233,269)	(226,023)
Building Expenses	(49,257)	(52,180)	(42,863)	(42,353)
Bad Debts	(25,680)	(3,938)	(21,938)	(24,915)
<i>Total Operating Expenses</i>	<i>(26,426,443)</i>	<i>(29,855,542)</i>	<i>(30,760,840)</i>	<i>(32,134,076)</i>
Operating Income	(434,664)	(2,094,119)	(1,971,206)	(2,953,175)
Operating Income less	2,963,807	1,030,881	1,764,339	1,652,599
Depreciation				
<i>Non-Operating Revenues (Expenses)</i>				
Debt Service	(1,632,141)	(1,725,526)	(1,732,580)	(2,183,201)
Interest Income	1,668,408	550,000	374,001	645,000
Impact Fees	4,142,767	3,000,000	4,499,078	3,000,000
Contributions in aid of Construc	5,359,622	3,000,000	8,585,092	3,000,000
Dividends	(0)	(300,000)	(0)	(300,000)
OPERATING MARGIN	12,502,463	5,555,355	13,489,930	5,814,398
CAPITAL EXPENDITURES				
Generation - Hydro	0	75,000	0	25,000
Generation – Gas Plant	550,259	4,418,000	3,232,185	3,515,000
Distribution	4,416,420	6,480,000	6,976,258	10,129,000
Substation	0	16,163,000	20,729,686	220,000
Metering	147,769	114,000	42,844	114,000
Buildings	8,228	14,174,000	0	23,458,000
Vehicles	522,504	985,000	495,947	740,000
Tools	62,319	183,000	81,758	340,000
Technology – IT	37,532	230,000	75,098	325,000
<i>Total Capital</i>	<i>5,745,031</i>	<i>42,822,000</i>	<i>31,633,776</i>	<i>38,866,000</i>

Heber Light & Power Company

2025 Budget – Executive Summary (Actuals Format)

	2022 Actual	2023 Actual	2024 Forecast	2025 Budget
REVENUES				
Electricity Sales	\$21,602,690	\$23,757,231	\$26,814,331	\$27,162,850
Electricity Sales - Jordanelle	1,142,043	1,834,964	1,502,809	1,542,601
Connect Fees	133,526	149,673	186,249	188,199
Other / Miscellaneous Income	199,128	249,911	286,245	287,251
<i>Total Revenues</i>	<i>\$23,077,387</i>	<i>\$25,991,779</i>	<i>\$28,789,634</i>	<i>\$29,180,901</i>
COST OF ELECTRIC SERVICE				
Power Purchases	(12,610,175)	(11,442,806)	(15,066,748)	(14,675,062)
Power Purchases - Jordanelle	(1,142,043)	(1,834,964)	(1,502,809)	(1,542,601)
Salaries, Wages, Benefits (Unall	(395,693)	(1,012,834)	(1,005,317)	(1,243,314)
System Maintenance / Training	(4,750,443)	(5,352,559)	(4,663,009)	(5,165,295)
Depreciation (Unallocated)	(3,004,438)	(3,398,471)	(3,735,545)	(4,605,774)
Gas Generation	(1,898,660)	(1,861,785)	(2,931,801)	(3,169,394)
Other	(275,638)	(309,337)	(379,635)	(379,113)
Vehicle	(418,186)	(524,814)	(505,109)	(523,499)
Office	(141,962)	(153,808)	(157,192)	(155,298)
Energy Rebates	(40,524)	(54,179)	(283,014)	(150,000)
Professional Services	(231,565)	(225,172)	(232,591)	(231,435)
Materials	(252,471)	(180,777)	(233,269)	(226,023)
Building Expenses	(45,975)	(49,257)	(42,863)	(42,353)
Bad Debts	(15,576)	(25,680)	(21,938)	(24,915)
<i>Total Operating Expenses</i>	<i>(25,223,349)</i>	<i>(26,426,443)</i>	<i>(30,760,840)</i>	<i>(32,134,076)</i>
Operating Income	(2,145,963)	(434,664)	(1,971,206)	(2,953,175)
Operating Income less	858,476	2,963,807	1,764,339	1,652,599
Depreciation				
<i>Non-Operating Revenues (Expenses)</i>				
Debt Service	(1,322,344)	(1,632,141)	(1,732,580)	(2,183,201)
Interest Income	276,314	1,668,408	374,001	645,000
Impact Fees	3,195,068	4,142,767	4,499,078	3,000,000
Contributions in aid of Construc	4,056,099	5,359,622	8,585,092	3,000,000
Dividends	(300,000)	(0)	(0)	(300,000)
OPERATING MARGIN	6,763,613	12,502,463	13,489,930	5,814,398
CAPITAL EXPENDITURES				
Generation - Hydro	118,836	0	0	25,000
Generation – Gas Plant	710,000	550,259	3,232,185	3,515,000
Distribution	8,897,722	4,416,420	6,976,258	10,129,000
Substation	2,400,000	0	20,729,686	220,000
Metering	115,989	147,769	42,844	114,000
Buildings	19,405	8,228	0	23,458,000
Vehicles	171,358	522,504	495,947	740,000
Tools	385,042	62,319	81,758	340,000
Technology – IT	471,046	37,532	75,098	325,000
<i>Total Capital</i>	<i>13,289,398</i>	<i>5,745,031</i>	<i>31,633,776</i>	<i>38,866,000</i>

Operating Expenditures Budget

Revenues

The 2025 electricity revenues are budgeted to increase 1.4% over the projected 2024 revenues. This represents a conservative estimate for the trended load growth and implementation of a rate increase adopted during 2022.

Revenues associated with Capital in Aid of Construction and Impact Fees are not included as these revenues are not regular and are typically subject to external economic conditions.

	<u>2023 Actual</u>	<u>2024 Budget</u>	<u>2024 Forecast</u>	<u>2025 Budget</u>
REVENUES				
Electricity Sales	\$23,757,231	\$25,725,723	\$26,814,331	\$27,162,850
Electricity Sales - Jordanelle	1,834,964	1,605,896	1,502,809	1,542,601
Connect Fees	149,673	140,741	186,249	188,199
Other / Miscellaneous Income	249,911	289,063	286,245	287,251
<i>Total Revenues</i>	<i>\$25,991,779</i>	<i>\$27,761,423</i>	<i>\$28,789,634</i>	<i>\$29,180,901</i>

Expenses

Power Purchased

Power Purchased expense is calculated by analyzing supply requirements, identifying the cost of supply from individual sources and adding contingency pricing for market fluctuations.

Wages and Board Compensation

Included in the wages and board compensation expense are amounts for the current complement of employees.

Board Compensation	
<u>Board Position</u>	<u>Stipend Amount</u>
Chair	7,295.04
Member 1	5,703.84
Member 2	5,703.84
Member 3	5,703.84
Member 4	5,703.84
Member 5	<u>5,703.84</u>
	\$35,814.24
Committee Compensation	4,185.76

Repairs & Maintenance

Repairs and maintenance are anticipated to continue in 2025. The addition of 1 new employee is included in this budget thus increasing the overall maintenance and repair costs.

Travel & Training

To maintain the advanced technical knowledge required in the industry, various training initiatives for staff are included in the 2025 Budget.

Capital Expenditures Budget

The Capital Budget for 2025 totals \$38,866,000. Heber Light & Power anticipates utilizing revenue from energy sales, debt financing, capital in aid of construction and through impact fees to complete the 2025 capital program. In the event these resources are insufficient to meet these anticipated capital addition expenditures, Heber Light & Power has two other payment mechanisms at its disposal. First, Heber Light & Power can use additional debt-financing in the event additional funds are required to complete the needed capital expansion projects. This, however, is limited to maintaining covenant requirements of existing debt. The second is through reserve accounts of which Heber Light & Power maintains two such funds. The first such fund is a contingency fund with a current balance of roughly \$5.0 million which is available to address certain large capital purchases and /or reserve requirements associated with internal generation, rate stabilization and power market escalation. The second such fund is a capital reserve fund meant to supply quick access to funds to complete major projects considered in the Company's current Strategic Plan.

Also included in the table below are principal payments relating to the Company's long-term debt.

<u>Classification</u>	<u>Expenditure</u>	<u>Impact</u>	<u>CIAC</u>	<u>Net Amount</u>
Generation - Hydro	25,000	-	-	25,000
Generation – Gas Plant	3,515,000	-	-	3,515,000
Distribution	10,129,000	-	(3,000,000)	7,129,000
Substation	220,000	-	-	220,000
Metering	114,000	-	(96,000)	18,000
Buildings	23,458,000	(3,000,000)	-	20,458,000
Vehicles	740,000	-	-	740,000
Tools	340,000	-	-	340,000
Technology – IT	325,000	-	-	325,000
Total Capital Expenditures:				<u>\$32,770,000</u>
Principal Payments on Long-Term Debt:				1,298,857
Total Cash Requirements:				<u>\$34,068,857</u>
Cash on Hand:				
Current CWIP				10,441,769
CIAC Funds				6,311,666
2023 Bond				16,614,450
Projects Reserve				700,972
Total Cash Available for Projects:				<u>\$34,068,857</u>
Total Funds to Raise to Complete Capital Plan:				<u>\$0</u>

Detailed capital project descriptions in support of these amounts are included on the following pages.



Buildings

- 1) New Office Building
- 2) EV Charging Systems
- 3) Plant Analysis Fallouts
- 4) Generator Fire Suppression System
- 5) College Substation Perimeter Xeroscaping
- 5) New Office Building - Phase 2 (Current Campus Modifications)
- 6) Millflat Water Line Replacement
- 7) New Communications Building
- 8) Southfield Substations Landscaping CUP Adherence
- 9) New Office Building - Phase 3 (Site Improvements)

Heber Light & Power

Project Analysis Form

Project Name: New Office Building

Project Driver: Upgrade

Priority Level: Medium

Purpose & Necessity:

Heber Light & Power has outgrown the existing work space for administrative operations. In addition, the building is older and not ADA compliant. Furthermore, the division of Administration from Operations has made communications less-effective between departments. The building is currently surrounded on all four sides with rights-of-ways for other entities which causes expansion limitations. Parking for employees and customers is extremely limited. Finally, numerous secondary elements such as IT structure, and building security cannot be adequately addressed in the current state.

Risk Assessment:

Efficiency is the main advantage to combining all of the administrative functions under one roof. In addition, by remaining non-compliant with appropriate ADA standards, the company remains at risk of not accommodating customer needs. Furthermore the transition to 138kV service in the valley also opens the company to additional cyber-security scrutiny and controls. The current building set-up will require extensive adjustments to obtain compliance with NERC CIPS requirements.

Cash Flow Schedule:

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>Overall</u>
Internal Labor	6,527.83	1,270.37	1,145.02	42,500.00	65,000.00	128,000.00	244,443.22
Materials	-	-	-	4,500.00	2,500.00	165,000.00	172,000.00
Subcontractor	69,585.60	25,341.45	272,571.30	615,058.43	5,957,000.00	10,895,000.00	17,834,556.78
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 76,113.43	\$ 26,611.82	\$ 273,716.32	\$ 662,058.43	\$ 6,024,500.00	\$ 11,188,000.00	\$ 18,251,000.00
Impact Fee %	43%	43%	43%	43%	43%	43%	
Net Amount:	<u>\$43,384.66</u>	<u>\$ 15,168.74</u>	<u>\$ 156,018.30</u>	<u>\$ 377,373.31</u>	<u>\$ 3,433,965.00</u>	<u>\$ 6,377,160.00</u>	<u>\$10,403,070.00</u>

Project Analysis Form

Project Driver: Upgrade

Priority Level: Medium

Electric vehicles are beginning to become more prevalent on our system. The installation of 6 strategically placed charging stations throughout the territory have proven to be useful to the company. These chargers are level 2 type chargers. A local business has been approached and has agreed to partner with HLP on the installation of a series of level 3 chargers. The business is centrally located with great access to many Heber City amenities. A local dealership purchased two level 3 chargers and has decided to not install them. They have since sold them to HLP for this site.

Without this project, HLP will continue to see vendors selling our product at a mark-up.

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	12,000.00	-	-	-	-	-	12,000.00
Materials	179,000.00	-	-	-	-	-	179,000.00
Subcontractor	30,000.00	-	-	-	-	-	30,000.00
Miscellaneous	10,000.00	-	-	-	-	-	10,000.00
Grant	-	-	-	-	-	-	-
Subtotal:	\$ 231,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 231,000.00
Impact Fee %	0%						
Net Amount:	\$ 231,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 231,000.00

Project Analysis Form

Priority Level: High

Plant 1 is in need of requiring significant improvements if it is to continue to function as a power plant. In performing a cost-benefit analysis of said improvements, the decision made is to not undertake such. Rather it will be to convert the building into more of a generator repair shop and warehouse for generator parts/toolroom. Although this conversion has a cost associated with it, the amount is significantly less than to prepare the building for continued generation service.

If this work is not undertaken and the existing generators are transferred to other plants, either the Company must take on unwise financial costs or lose production from three existing generators.

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	25,000.00	-	-	-	-	-	25,000.00
Materials	115,000.00	-	-	-	-	-	115,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 140,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	\$140,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140,000.00

Heber Light & Power

Project Analysis Form

Project Name: Generator Fire Suppression System

Project Driver: Safety

Priority Level: Medium

Purpose & Necessity:

Small fires are occasionally generated on and around the generators as a result of the excessive amounts of heat, fuel and available catalysts. As a result, the dispatchers and generation employees are using handheld extinguishing tools to extinguish these fires when they arise. Our insurance reviews are frequently critical of the lack of suppression systems on our generators and thus this project will increase safety as well as increase our insurability.

Plant 2: \$1,150,000

Plant 3 phase 1: \$888,107

Plant 3 phase 2: \$638,220

Risk Assessment:

Potential exists to have a major fire that either drastically damages the structure, equipment, or both. The damage can result from the fire itself or from the firefighting methods that will be employed by the local fire department with their water-based fighting technology. A larger risk exists in that employees are typically called upon to be the first line of defense to which they are woefully under supplied and un-trained.

Cash Flow Schedule:

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>Overall</u>
Internal Labor	1,529.67	2,077.16	1,350.00	-	-	3,000.00	7,956.83
Materials	17.25	2,749.76	1,200.00	-	-	1,500.00	5,467.01
Subcontractor	328,191.65	553,541.65	635,670.00	-	-	1,145,500.00	2,662,903.30
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 329,738.57	\$ 558,368.57	\$ 638,220.00	\$ -	\$ -	\$ 1,150,000.00	\$ 2,676,327.14
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$329,738.57</u>	<u>\$558,368.57</u>	<u>\$638,220.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,150,000.00</u>	<u>\$2,676,327.14</u>

Heber Light & Power

Project Analysis Form

Project Name: College Substation Perimeter Xeroscaping

Project Driver: Upgrade

Priority Level: Medium

Purpose & Necessity:

Years of erosion and lack of attention has the surrounding gravel at the College Substation needing a refresh.

Risk Assessment:

Without this project, further deterioration at the site will occur and lead to potential for unauthorized access into the station by animals.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	-	-	-	-	-
Materials	-	-	-	-	-	-	-
Subcontractor	-	10,000.00	-	-	-	-	10,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -	\$ 10,000.00
Impact Fee %	0%						0%
Net Amount:	<u>\$ -</u>	<u>\$ 10,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: New Office Building - Phase 2 (Current Campus Modifications)

Project Driver: Upgrade

Priority Level: High

Purpose & Necessity:

Upon moving into the new office building, adjustments will need to be made to the existing campus. The operations center will need to be renovated to be a warehouse only with few office spaces for the limited warehousemen. The line shop will need to be dealt with so as to serve in a better capacity. Cold storage will need to be torn down and the space leveled to match existing grade.

Risk Assessment:

Continue to have less than desirable warehousing capabilities as well as dilapidated and in-effective/unsafe structures on the site.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	25,000.00	10,000.00	-	-	-	35,000.00
Materials	-	-	-	-	-	-	-
Subcontractor	-	725,000.00	290,000.00	-	-	-	1,015,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ 750,000.00	\$ 300,000.00	\$ -	\$ -	\$ -	\$ 1,050,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ -</u>	<u>\$ 750,000.00</u>	<u>\$ 300,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,050,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Millflat Water Line Replacement

Project Driver: Replacement

Priority Level: High

Purpose & Necessity:

The main water line that feeds the Upper Snake Creek and ultimately the Lower Snake Creek Hydro plants is in serious need of replacement. As it currently stands, the line is old and exposed to damage by vehicles and the Forest Service as they access the upper reaches of Snake Creek Canyon.

Risk Assessment:

Risk exists that given the right damage instance, loss of the use of both hydro plants will occur. This loss will lead to the curtailment of production which would then result in replacement energy being purchased on the spot market.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	-	-	-	-	-
Materials	-	-	-	-	-	-	-
Subcontractor	-	-	100,000.00	-	-	-	100,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ 100,000.00	\$ -	\$ -	\$ -	\$ 100,000.00
Impact Fee %	0%						0%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,000.00</u>

Project Analysis Form

Priority Level: High

[illegible]

Project Analysis Form

Priority Level: Medium

As part of the CUP approval process with Wasatch County to construct the Southfield Substation, HLP agreed to provide a landscaped perimeter to the substation.

Failure to complete this work will find HLP in contempt of the Conditional Use Permit issued to construct the Southfield Substation. As such, the Company will forfeit its bond and faces the risk of fines and penalties.

[illegible]

Heber Light & Power

Project Analysis Form

Project Name: New Office Building - Phase 3 (Site)

Project Driver: Upgrade

Priority Level: High

Purpose & Necessity:

The new building project does not include the completion of the site improvements for the entire site. This project has been delayed to provide ample time to make additional infrastructure adjustments so as to minimize disruptions to the new site during that adjustment period.

Risk Assessment:

Site adjustments will need to be made so as to limit the risk of fleet vehicles becoming mired in the muck. Additional mobility of certain equipment necessary to move equipment and materials around will be impacted.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	-	13,000.00	-	-	13,000.00
Materials	-	-	-	-	-	-	-
Subcontractor	-	-	-	1,187,000.00	-	-	1,187,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ -	\$ 1,200,000.00	\$ -	\$ -	\$ 1,200,000.00
Impact Fee %	43%	43%	43%	43%	43%	43%	43%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 684,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 684,000.00</u>



Generation

- 1) Annual Generation Capital Improvements
- 2) Lower Snake Creek Plant Upgrade
- 3) Upper Snake Creek Capital Improvements
- 4) Lake Creek Capital Improvements
- 5) Lake Creek Bearing Replacement
- 6) Lake Creek Battery Replacement
- 7) Unit Overhauls
- 8) Plant 2 Relay Upgrade
- 9) New Generation Assets
- 10) Plant Hydraulic System Upgrade
- 11) Plant 1 Replacement
- 12) HVSSD Solar Project

Heber Light & Power

Project Analysis Form

Project Name: Capital Improvements - Generation

Project Driver: Reliability

Priority Level: High

Purpose & Necessity:

Each year various generation related assets are needed in order to prolong the life, meet additional environmental requirements, and increase capacity. As such a blanket amount is approved in order to increase response time when upgrades are required. Furthermore it eliminates the multiple approvals that could present themselves during the course of a year for minor capital asset additions.

Risk Assessment:

Equipment will wear down to a point of non-function thus requiring additional expense to restore them to functionality again. An additional risk is that of an environmental penalty or sanction resulting from tardiness installing needed equipment.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	60,000.00
Materials	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	240,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 300,000.00
Impact Fee %	0%	0%	0%	0%	0%		0%
Net Amount:	\$ 50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$ 50,000.00	\$50,000.00	\$ 300,000.00

Project Analysis Form

Priority Level: Medium

Each year various generation related assets are needed in order to prolong the life, meet additional environmental requirements, and increase capacity. As such, a blanket amount is approved in order to increase response time when upgrades are required. Furthermore, it eliminates the multiple approvals that could present themselves during the course of a year for minor capital asset additions.

The facility will become unusable and thus eliminate the generating capacity that it provides to our system.

[illegible]

Heber Light & Power

Project Analysis Form

Project Name: Upper Snake Creek Plant Upgrade

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

Each year various generation related assets are needed in order to prolong the life, meet additional environmental requirements, and increase capacity. As such a blanket amount is approved in order to increase response time when upgrades are required. Furthermore, it eliminates the multiple approvals that could present themselves during the course of a year for minor capital asset additions.

Risk Assessment:

The facility will become unusable and thus eliminate the generating capacity that it provides to our system.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	6,000.00
Materials	24,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	44,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 25,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 50,000.00
Impact Fee %	0%	0%	0%	0%	0%		
Net Amount:	<u>\$ 25,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>	<u>\$5,000.00</u>	<u>\$ 50,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Lake Creek Improvements

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

Each year various generation related assets are needed in order to prolong the life, meet additional environmental requirements, and increase capacity. As such, a blanket amount is approved in order to increase response time when upgrades are required. Furthermore, it eliminates the multiple approvals that could present themselves during the course of a year for minor capital asset additions.

Risk Assessment:

The facility will become unusable and thus eliminate the generating capacity that it provides to our system.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	6,000.00
Materials	4,000.00	4,000.00	24,000.00	4,000.00	4,000.00	4,000.00	44,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 5,000.00	\$ 5,000.00	\$ 25,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 50,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 25,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 50,000.00</u>

Project Analysis Form

Priority Level: Medium

The breaker bearing on the Lake Creek Hydro unit is showing signs of fatigue. This project will replace the bearing on the breaker before a failure happens.

Heber Light & Power will be unable to use the hydro unit if the bearing fails.

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	-	5,000.00	-	-	-	-	5,000.00
Materials	-	15,000.00	-	-	-	-	15,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ 20,000.00	\$ -	\$ -	\$ -	\$ -	\$ 20,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Project Analysis Form

Priority Level: Medium

The battery bank on the Lake Creek Hydro unit is reaching its end of life. This project will replace the battery before a failure happens.

Heber Light & Power will be unable to use the hydro unit if the battery fails.

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	-	2,000.00	-	-	-	-	2,000.00
Materials	-	13,000.00	-	-	-	-	13,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ 15,000.00	\$ -	\$ -	\$ -	\$ -	\$ 15,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Heber Light & Power

Project Analysis Form

Project Name: Unit Overhauls

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

The generating units are operated as needed until a requisite number of engine hours have been expired. As a measure of standard preventative maintenance, the engine is taken out of service and the engine is overhauled. The following engines are scheduled to reach their operating hours as follows:

Unit 1 - 2025

Risk Assessment:

Equipment will wear down to a point of non-function thus requiring additional expense to restore them to functionality again. An additional risk is that of an untimely outage of either of these two units. By scheduling the overhaul, control of the outage/loss of production can be managed.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	8,000.00	-	-	8,000.00	16,000.00	-	32,000.00
Materials	-	-	-	-	-	-	-
Subcontractor	172,000.00	-	-	192,000.00	384,000.00	-	748,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 180,000.00	\$ -	\$ -	\$ 200,000.00	\$ 400,000.00	\$ -	\$ 780,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 180,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,000.00</u>	<u>\$ 400,000.00</u>	<u>\$ -</u>	<u>\$ 780,000.00</u>

Project Analysis Form

Priority Level: High

The relays in Plant 2 are old enough now that they are coming to the end of their support life. In addition, the units going into the plant are reaching the maximum capacity of what the existing relays are rated for. This project will bring the relays up to current standards and estimated future loads.

In the event of a generation event, the relays may not operate properly which would result in damage to more expensive equipment whether it be the generator or the transformer.

[illegible]

Heber Light & Power

Project Analysis Form

Project Name: New Generation

Project Driver: Growth

Priority Level: Medium

Purpose & Necessity:

The current generation portfolio will be heavily strained by 2030 without the procurement of other generating sources. Load growth is projected to be regular and consistent. The generator portfolio is used regularly to defer the market risk that is inherent with the increasing resource needs of the company. The company has been working with the Caterpillar and Wheeler organizations to install a battery bank, as well as installing a new test engine in 2025.

Risk Assessment:

Heber Light & Power is regularly attempting to diversify the generation portfolio. Without the acquisition of additional resources, the Company will be forced to purchase more energy from the market at the prevailing rates which may not favor the Company.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	18,000.00	12,000.00	-	-	-	-	30,000.00
Materials	-	-	-	-	-	-	-
Subcontractor	2,882,000.00	1,488,000.00	-	-	-	-	4,370,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 2,900,000.00	\$ 1,500,000.00	\$ -	\$ -	\$ -	\$ -	\$ 4,400,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Heber Light & Power

Project Analysis Form

Project Name: Plant Hydraulic Upgrade

Project Driver: Growth

Priority Level: Low

Purpose & Necessity:

Both the Lake Creek and Upper Snake Creek plants are showing signs of wear on their hydraulic equipment. Similar to an engine overhaul, these generators need to have some of their hydraulic equipment either replaced or repaired to extend the life of the unit.

Risk Assessment:

Without these repairs, the units themselves will continue to operate into a failure state. At that point the plants will be offline and providing no value to the company.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	2,500.00	2,500.00	-	-	-	-	5,000.00
Materials	-	-	-	-	-	-	-
Subcontractor	47,500.00	47,500.00	-	-	-	-	95,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 50,000.00	\$ 50,000.00	\$ -	\$ -	\$ -	\$ -	\$ 100,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 50,000.00</u>	<u>\$ 50,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Plant 1 Replacement

Project Driver: Upgrade

Priority Level: Low

Purpose & Necessity:

As Plant 1 is converted to other purposes, the plant itself will need to be replaced. This project will build a new plant on the end of the new office building as well as install a series of new units to provide heat to the building and additional generation capacity to the system.

Risk Assessment:

Less generation ability lends additional exposure to the market volatility.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	100,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	175,000.00
Materials	-	-	-	-	-	-	-
Subcontractor	6,900,000.00	2,985,000.00	2,485,000.00	2,485,000.00	2,485,000.00	2,485,000.00	19,825,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 7,000,000.00	\$ 3,000,000.00	\$ 2,500,000.00	\$ 2,500,000.00	\$ 2,500,000.00	\$ 2,500,000.00	\$ 20,000,000.00
Impact Fee %	0%	0%	100%	0%	0%	0%	
Net Amount:	<u>\$ 7,000,000.00</u>	<u>\$ 3,000,000.00</u>	<u>\$ -</u>	<u>\$ 2,500,000.00</u>	<u>\$ 2,500,000.00</u>	<u>\$ 2,500,000.00</u>	<u>\$ 17,500,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: HVSSD Solar Project

Project Driver: Growth

Priority Level: Low

Purpose & Necessity:

Additional clean energy resources within the valley are regularly being explored. This project will work in conjunction with unused land in the Heber Valley Special Service District's footprint. Much of the energy on this project will be used to offset the energy required by HVSSD.

Risk Assessment:

A critical infrastructure entity like HVSSD cannot afford an outage. This project will assist in the shedding of some of the load on the system, while creating a larger solar array project in the area.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	-	-	-	-	15,000.00	-	15,000.00
Materials	-	-	-	-	3,000,000.00	-	3,000,000.00
Subcontractor	-	-	-	-	485,000.00	-	485,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ -	\$ -	\$ 3,500,000.00	\$ -	\$ 3,500,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,500,000.00</u>	<u>\$ -</u>	<u>\$ 3,500,000.00</u>



Lines

- 1) Underground System Improvements
- 2) Aged & Environmental Distribution Replacement / Upgrade
- 3) Fault Indicator - Underground System
- 4) Annexation Asset Purchase
- 5) ROW Purchases
- 6) Install Voltage Regulators at Timber Lakes Gate
- 7) Heber Substation Additional Circuits (South & West)
- 8) Tie Line from 305 to 402 to 303
- 9) Rebuild PR 201: Main Street to Burgi Lane
- 10) Fire Mitigation - Single Phase Reclosers
- 11) Provo River Substation Get Aways Reconnect to New Site
- 12) Additional Circuits out of Jailhouse to the East
- 13) Additional Circuits out of College to South and East
- 14) College to Heber Circuit Network Upgrades
- 15) Tie 502 to 505
- 16) Load to Parsons (Reconductor)
- 17) Reconductor Heber City Main Street: 600 South to 1000 South
- 18) Midway Substation - Get Aways
- 19) Airport Road Rebuild & Loop
- 20) Reconductor JH 502/503: Old Mill Drive - 800 South to 1200 South
- 21) New Circuit to Highway 32
- 22) Jailhouse Tap Transmission Line and East Extension
- 23) Reconductor MW 101/102: 4/0 to 477
- 24) Reconductor Pine Canyon Road - Midway
- 25) Rebuild CL 402: 600 West to Tate Lane

Heber Light & Power

Project Analysis Form

Project Name: Underground System Improvements

Project Driver: Reliability

Priority Level: Low

Purpose & Necessity:

Underground equipment becomes subject to the elements and thus begin to show signs of aging and breakdown. Thus HL&P monitors the underground equipment for aging and periodically retires worn out assets by replacing them.

Risk Assessment:

By refusing to correct the installation issues in the underground assets, HL&P is at risk of unintentional outages and potential hazardous conditions for both employees and customers.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	34,000.00	34,000.00	35,000.00	35,000.00	35,000.00	35,000.00	208,000.00
Materials	205,000.00	218,000.00	218,000.00	218,000.00	218,000.00	218,000.00	1,295,000.00
Subcontractor	36,000.00	37,000.00	37,000.00	37,000.00	37,000.00	37,000.00	221,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 275,000.00	\$ 289,000.00	\$ 290,000.00	\$ 290,000.00	\$ 290,000.00	\$ 290,000.00	\$ 1,724,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 275,000.00</u>	<u>\$ 289,000.00</u>	<u>\$ 290,000.00</u>	<u>\$ 290,000.00</u>	<u>\$ 290,000.00</u>	<u>\$ 290,000.00</u>	<u>\$ 1,724,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Aged & Environmental Distribution Replacement/Upgrade

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

Distribution poles are subject to aging and decomposition. In addition, the equipment framing on some of the structures are of such an age in which proper safeguards were not put into to place to ensure raptor protection and safety. After having recently completed an avian study on the entire system as well as a pole density test on 50% of the system, it is imperative that replacement structures are installed in place of those identified as failing on either of the two studies.

Risk Assessment:

By refusing to correct the failing structures, HL&P is at risk of unintentional outages and potential hazardous conditions for both employees, customers, and wildlife.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	120,000.00
Materials	200,000.00	211,000.00	230,000.00	230,000.00	230,000.00	230,000.00	1,331,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 220,000.00	\$ 231,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 1,451,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 220,000.00</u>	<u>\$ 231,000.00</u>	<u>\$ 250,000.00</u>	<u>\$ 250,000.00</u>	<u>\$ 250,000.00</u>	<u>\$ 250,000.00</u>	<u>\$ 1,451,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Fault Indicator - Underground System

Project Driver: Reliability

Priority Level: Low

Purpose & Necessity:

Underground equipment becomes subject to the elements and thus begin to show signs of aging and breakdown. Thus HL&P monitors the underground equipment for aging and periodically retires worn out assets by replacing them. This project would put into place an annual amount that can be added to the system to help identify where faults are occurring on the underground portions of the distribution schedule.

Risk Assessment:

By refusing to correct the installation issues in the underground assets, HL&P is at risk of unintentional outages and potential hazardous conditions for both employees and customers.

Cash Flow Schedule:

[illegible]

Project Analysis Form

Priority Level: Low

Heber city has undertaken an annexation plan that will encompass a large tract of land North of the existing HLP system. As such, existing assets will need to be purchased from PacifiCorp when an entity requests annexation. This is a blanket project to ensure annual funding exists for such asset purchases.

HLP has no choice other than purchase the assets when an entity requests annexation into the City of Heber.

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	-	-	-	-	-	-	-
Materials	-	-	-	-	-	-	-
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	150,000.00
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 150,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Project Analysis Form

Project Driver: Reliability

Priority Level: Low

The system needs to upgrade to a 138kV system in order to remain reliable. This project will provide funds to allow a ROW agent to purchase rights-of-way along existing corridors for sizing upgrades.

In order to build to the new standard of framing, HLP can exercise it's right in the existing perpetual easement. The right choice is the purchase and securing of solid, recorded easements prior to completing this work.

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	-	-	-	-	-
Materials	-	-	-	-	-	-	-
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	1,000,000.00	300,000.00	500,000.00	-	-	-	1,800,000.00
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 1,000,000.00	\$ 300,000.00	\$ 500,000.00	\$ -	\$ -	\$ -	\$ 1,800,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Heber Light & Power

Project Analysis Form

Project Name: Install Voltage Regulators at Timber Lakes Gate

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

The continual growth in the Timber Lakes Subdivision along with the relative distance from the Jailhouse substation has the voltage within the subdivision subject to irregular fluctuations. These irregularities create a power quality issue for HLP customers.

Risk Assessment:

By refusing to correct the installation issues in the Timber Lakes Subdivision, customer satisfaction will decrease. In addition, customer equipment stands the chance of being damaged thus driving up insurance claims and premiums.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	-	-	15,000.00	-	-	-	15,000.00
Materials	-	-	235,000.00	-	-	-	235,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal: \$	\$ -	\$ -	\$ 250,000.00	\$ -	\$ -	\$ -	\$ 250,000.00
Impact Fee %	100%	0%	0%	0%	0%	0%	0%
Net Amount: \$	\$ -	\$ -	\$ 250,000.00	\$ -	\$ -	\$ -	\$ 250,000.00

Project Analysis Form

Priority Level: Medium

The development within Heber City, and the Southwest side of Wasatch County have necessitated additional circuits out of the Heber Substation.

Insufficient capacity to serve the numerous additional customers seeking service on the Southwest side of Heber City and Wasatch County. This project is 100% customer driven and thus it has slipped from year to year as the development is still pending.

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	125,000.00	-	-	-	-	-	125,000.00
Materials	725,000.00	-	-	-	-	-	725,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 850,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 850,000.00
Impact Fee %	100%	100%	100%	0%	0%	0%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Project Analysis Form

This tie will provide the company with additional looped feeders for future redundant system needs.

Without completing this tie, an outage could drive an extended outage in particular sections of the system as redundant loops would not be in place to allow for switching efforts.

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	62,000.00	-	-	-	-	-	62,000.00
Materials	288,000.00	-	-	-	-	-	288,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 350,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 350,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Project Analysis Form

Project Driver: Reliability

Priority Level: High

The current circuit engineering study has demonstrated that the stretch of Provo River 201 from Main Street to Burgi Lane will be undersized after 2021. In order to remedy this issue, the circuit will need to be reconductored through this section of the line.

Failure of the existing assets will result in outages with a high likelihood of a prolonged outage. This project will achieve N-1 standard on this circuit. It is currently below this standard and as such the system reliability is at risk.

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>Overall</u>
Internal Labor	37,000.00	-	-	75,000.00	-	-	112,000.00
Materials	707,383.09	-	-	625,000.00	-	-	1,332,383.09
Subcontractor	26,616.91	-	-	-	-	-	26,616.91
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 771,000.00	\$ -	\$ -	\$ 700,000.00	\$ -	\$ -	\$ 1,471,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Heber Light & Power

Project Analysis Form

Project Name: Fire Mitigation - Single Phase Reclosers

Project Driver: Reliability

Priority Level: High

Purpose & Necessity:

The HLP system currently has some old reclosers that have seen their useful life expire. These reclosers are in areas prone to fire risk and as such need to be replaced with new reclosers.

2025 - Oak Haven(Swiss Oaks), Snake Creek Setting

2026 - Interlaken, Timber Lakes

Risk Assessment:

Failure to act might result in a damage causing wildfire in the event one of the existing reclosers fails.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	8,000.00	20,000.00	-	-	-	-	28,000.00
Materials	37,000.00	80,000.00	-	-	-	-	117,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 45,000.00	\$ 100,000.00	\$ -	\$ -	\$ -	\$ -	\$ 145,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 45,000.00</u>	<u>\$ 100,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 145,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Additional Circuits out of Jailhouse to the East

Project Driver: Growth

Priority Level: Medium

Purpose & Necessity:

The development of the South end of Heber City, and the East side of Wasatch County have necessitated additional circuits out of the Jailhouse Substation.

Risk Assessment:

Insufficient capacity to serve the numerous additional customers seeking service on the South side of Heber City and the East side of Wasatch County. This project is 100% customer driven and thus it has slipped from year to year as the development is still pending.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	-	56,000.00	-	-	56,000.00
Materials	-	-	-	244,000.00	-	-	244,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ -	\$ 300,000.00	\$ -	\$ -	\$ 300,000.00
Impact Fee %	100%	100%	100%	0%	0%	0%	100%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 300,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 300,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Additional Circuits out of College to South and East

Project Driver: Growth

Priority Level: Medium

Purpose & Necessity:

The development of the North end of Heber City has necessitated additional circuits out of the College Substation.

Risk Assessment:

Insufficient capacity to serve the numerous additional customers seeking service on the North side of Heber City. This project is 100% customer driven and thus it has slipped from year to year as the development is still pending.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	8,000.00	28,000.00	35,000.00	-	-	71,000.00
Materials	-	131,000.00	322,000.00	965,000.00	-	-	1,418,000.00
Subcontractor	-	65,000.00	.	-	-	-	65,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ 204,000.00	\$ 350,000.00	\$ 1,000,000.00	\$ -	\$ -	\$ 1,554,000.00
Impact Fee %	100%	100%	100%	0%	0%	0%	100%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,000,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,000,000.00</u>

Project Analysis Form

Priority Level: Medium

The development of the North end of Heber City has necessitated upgrading the system between Heber Substation and the College Substation.

Insufficient capacity to serve the numerous additional customers seeking service on the North side of Heber City. This project is 100% customer driven and thus it has slipped from year to year as the development is still pending.

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	25,000.00	25,000.00	25,000.00	25,000.00	-	-	100,000.00
Materials	225,000.00	225,000.00	225,000.00	225,000.00	-	-	900,000.00
Subcontractor	-	-	.	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ -	\$ -	\$ 1,000,000.00
Impact Fee %	100%	100%	100%	100%	0%	0%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Project Analysis Form

Priority Level: High

This tie will provide the company with additional looped feeders for future redundant system needs.

Without completing this tie, an outage could drive an extended outage in particular sections of the system as redundant loops would not be in place to allow for switching efforts.

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	25,000.00	25,000.00	-	-	-	-	50,000.00
Materials	175,000.00	175,000.00	-	-	-	-	350,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 200,000.00	\$ 200,000.00	\$ -	\$ -	\$ -	\$ -	\$ 400,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Heber Light & Power

Project Analysis Form

Project Name: Load to Parsons (Reconductor)

Project Driver: Upgrade

Priority Level: High

Purpose & Necessity:

The feeder line that supplies energy to the Parson Gravel Pit and equipment is undersized and will need to be upgraded.

Risk Assessment:

The customer has expensive equipment that requires regular and stable voltage at higher levels to satisfy their needs. If the line voltage drops, the customer stands to experience damaged equipment increasing the risk to HLP of expensive insurance claims.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	25,000.00	-	-	-	25,000.00
Materials	-	-	175,000.00	-	-	-	175,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ 200,000.00	\$ -	\$ -	\$ -	\$ 200,000.00
Impact Fee %	0%						0%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Reconductor Heber City Main Street - 600 S - 1000 S

Project Driver: Upgrade

Priority Level: Low

Purpose & Necessity:

Growth on the south end of Heber City has begun to exceed the acceptable conductor size for the existing assets. In order to continue to provide uninterrupted service along this feeder, the conductor needs to be upgraded.

Risk Assessment:

Failure of the existing assets will result in outages with a high likelihood of a prolonged outage. This project will achieve N-1 standard on this circuit. It is currently below this standard and as such the system reliability is at risk.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	25,000.00	-	-	-	25,000.00
Materials	-	-	175,000.00	-	-	-	175,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ 200,000.00	\$ -	\$ -	\$ -	\$ 200,000.00
Impact Fee %	0%	0%	0%	100%	0%	0%	100%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Midway Substation - Get Aways

Project Driver: Upgrade

Priority Level: High

Purpose & Necessity:

The current get aways from the Midway Substation are becoming undersized and aged. This project will replace the existing get aways with new, more appropriately sized conductor and other necessary equipment.

Risk Assessment:

Imminent failure due to the age and under-sized nature of the existing get aways. Outage and repair efforts will be determined by the type of failure which could be extensive.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	32,000.00	-	-	-	32,000.00
Materials	-	-	128,000.00	-	-	-	128,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ 160,000.00	\$ -	\$ -	\$ -	\$ 160,000.00
Impact Fee %	0%	0%	50%	0%	0%	0%	50%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 80,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 80,000.00</u>

Project Analysis Form

Priority Level: High

Growth in and around the Airport Road area has reached a point in which the system is becoming undersized and therefore needs to be reconducted with a larger conductor. In addition, the growth needs a redundant feed and as such a looped line will be constructed to remove the inherent risks associated with a radial feed.

Outages due to overloading the conductor will soon be happening and critical customers will be negatively affected by these frequent and prolonged outages.

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	65,000.00	-	-	-	-	65,000.00
Materials	-	700,000.00	-	-	-	-	700,000.00
Subcontractor	-	35,000.00	-	-	-	-	35,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ 800,000.00	\$ -	\$ -	\$ -	\$ -	\$ 800,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Project Analysis Form

Project Driver: Reliability

Priority Level: Low

The current circuit engineering study has demonstrated that the stretch of Jailhouse 502/503 along Old Mill Drive from 800 South to 1200 South will be undersized after 2024. In order to remedy this issue, the circuit will need to be reconductored through this section of the line.

Failure of the existing assets will result in outages with a high likelihood of a prolonged outage. This project will achieve N-1 standard on this circuit. It is currently below this standard and as such the system reliability is at risk.

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	-	45,000.00	-	-	45,000.00
Materials	-	-	-	449,000.00	-	-	449,000.00
Subcontractor	-	-	-	256,000.00	-	-	256,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ -	\$ 750,000.00	\$ -	\$ -	\$ 750,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Project Analysis Form

Priority Level: High

With the annexation of the North Village area, an additional circuit will need to be taken North out of the College substation until the new North Substation can be constructed and tapped off of the 138kV system.

Without this line, the developments North cannot be energized until a new point of delivery substation is permitted and built.

[illegible]

Project Analysis Form

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	-	-	85,000.00	-	85,000.00
Materials	-	-	-	-	808,000.00	-	808,000.00
Subcontractor	-	-	-	-	45,000.00	-	45,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ -	\$ -	\$ 938,000.00	\$ -	\$ 938,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Heber Light & Power

Project Analysis Form

Project Name: Reconductor Pine Canyon Road - Midway

Project Driver: Upgrade

Priority Level: Low

Purpose & Necessity:

Growth in the vicinity of Pine Canyon Road has begun to exceed the acceptable conductor size for the existing assets. In order to continue to provide uninterrupted service along this feeder, the conductor needs to be upgraded.

Risk Assessment:

Failure of the existing assets will result in outages with a high likelihood of a prolonged outage. This project will achieve N-1 standard on this circuit. It is currently below this standard and as such the system reliability is at risk.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	-	-	-	36,000.00	36,000.00
Materials	-	-	-	-	-	144,000.00	144,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 180,000.00	\$ 180,000.00
Impact Fee %	60%	60%	60%	60%	60%	60%	60%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 72,000.00</u>	<u>\$ 72,000.00</u>

Project Analysis Form

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	-	-	-	65,000.00	65,000.00
Materials	-	-	-	-	-	1,196,000.00	1,196,000.00
Subcontractor	-	-	-	-	-	35,000.00	35,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,296,000.00	\$ 1,296,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Substation

- 1) Southfields Substation
- 2) Replacement Recloser for Joslyn Reclosers
- 3) Gas Plant 2 XFMR Upgrade and Substation Rebuild
- 4) Heber Relay Upgrade
- 5) Heber Battery Replacement
- 6) Jailhouse Fence Replacement
- 7) Cloyes Relay Upgrade
- 8) College Relay Upgrade
- 9) Midway Substation - High Side Rebuild
- 10) Gas Plant 1 Interconnection to Heber Substation
- 11) Cloyes LTC Rebuild
- 12) Northeast POD Substation
- 13) Southern Substation

Project Analysis Form

Priority Level: High

Growth within the system has been steadily increasing for numerous years. The system is currently fed off of a single point of interconnect to the RMP system. This point of interconnect is fed from a radial (meaning single line) service line. In addition the transformer at the end of the radial line is quickly becoming undersized for the local load on our system. This project will provide a second interconnect substation thus reducing the loading on the existing substation transformer. Numerous engineering studies have been conducted on the system and each has drawn the conclusion that the current system will be over-capacity by 2022 at the latest.

This point of interconnect has two significant risks associated with it; 1) risk of damage to the radial feed thus causing immediate outages to all customers, and 2) interconnect site is currently sized to be out of capacity by 2022. If the single interconnect transformer becomes overloaded, RMP will begin to remove load from the transformer which will result in regular prolonged rolling brown-outs. All customers in the system will have a daily outage lasting up to 6 hours during peak load windows.

	Prior	2025	2026	2027	2028	2029	Overall
Internal Labor	161,246.15	-	-	-	-	35,000.00	196,246.15
Materials	18,391,081.10	-	-	-	-	6,965,000.00	25,356,081.10
Subcontractor	1,879,797.75	-	-	-	-	2,000,000.00	3,879,797.75
Miscellaneous	2,100,000.00	-	-	-	-	-	2,100,000.00
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 22,532,125.00	\$ -	\$ -	\$ -	\$ -	\$ 9,000,000.00	\$ 31,532,125.00
Impact Fee %	70%	70%	70%	70%	70%	100%	70%
Net Amount:	\$ 6,759,637.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,459,637.50

Project Analysis Form

Priority Level: Medium

HL&P has a series of Joslyn Reclosers that have historically been less than reliable. The company has been swapping out these reclosers as they fail so as to maximize the usage of these reclosers. This program will spread the cost of replacement of these defective reclosers across multiple years.

Without a spare recloser, a failure of one of the remaining Joslyn Reclosers will see a prolonged outage for a series of HL&P circuits.

[illegible]

Project Analysis Form

Project Driver: Reliability

Priority Level: Medium

The gas plant substation is no longer sufficient to support the engines being installed in gas plant 2. Furthermore the transformer for gas plant 2 is very old and undersized. This project will bring much needed safety enhancements to the substation site, increase efficiency of the station, and improve the load carrying capacity of the plants together.

Prolonged generation outages of critical peaking units will expose the company to increased market volatility risks.

[illegible]

Heber Light & Power

Project Analysis Form

Project Name: Heber Relay Upgrade

Project Driver: Replacement

Priority Level: Medium

Purpose & Necessity:

The equipment in the substations and generation plants are controlled by a computer like device called a relay. These relays have a potential to fail without notice and have no real preventative maintenance options. The relays in the Heber Substation are an older version no longer supported after 2024.

Risk Assessment:

Without the upgrade of these relays, the Heber Substation will not be properly monitored and controlled by the Dispatch department. Lack of proper monitoring and supervisory control creates serious risk to life and equipment.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	5,000.00	5,000.00	-	-	-	-	10,000.00
Materials	25,000.00	30,000.00	-	-	-	-	55,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 30,000.00	\$ 35,000.00	\$ -	\$ -	\$ -	\$ -	\$ 65,000.00
Impact Fee %							0%
Net Amount:	<u>\$ 30,000.00</u>	<u>\$ 35,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,000.00</u>

Project Analysis Form

Project Driver: Replacement

Priority Level: Medium

The equipment in the substations and generation plants are all backed up by a battery system in the event of an electrical failure on the grid, the equipment can still operate. These battery's have a defined life and periodically need to be replaced. The battery's in the Heber Substation are old and now need to be replaced.

Without the upgrade of these battery's, the Heber Substation will not be properly backed up on critical equipment during an outage.

[illegible]

Heber Light & Power

Project Analysis Form

Project Name: Jailhouse Fence Replacement

Project Driver: Replacement

Priority Level: Low

Purpose & Necessity:

The jailhouse substation currently has a chain-link fence that prohibits unauthorized access. This fence is subject to high winds and regularly requires maintenance and occasional replacement of portions. A new fence more suited to handling the wind and other environmental factors while meeting the security and operational needs would be installed as part of this project. The current fence is 790 linear feet long. The road access from IHC location will be added in 2028.

Risk Assessment:

The company will continue to spend OMAG dollars on maintaining a fence that is truly not the correct type of fence for the designed purpose. With inadequate security as a result of this fence, the company has an increased risk of liability for injury or life lost. Furthermore risk exists that critical infrastructure might be damaged leading to extended outages affecting customers.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	10,000.00	-	-	15,000.00	-	25,000.00
Materials	-	-	-	-	-	-	-
Subcontractor	-	119,000.00	-	-	235,000.00	-	354,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ 129,000.00	\$ -	\$ -	\$ 250,000.00	\$ -	\$ 379,000.00
Impact Fee %							0%
Net Amount:	<u>\$ -</u>	<u>\$ 129,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 250,000.00</u>	<u>\$ -</u>	<u>\$ 379,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Cloyes Relay Upgrade

Project Driver: Replacement

Priority Level: Medium

Purpose & Necessity:

The equipment in the substations and generation plants are controlled by a computer like device called a relay. These relays have a potential to fail without notice and have no real preventative maintenance options. The relays in the Cloyes Substation are an older version no longer supported after 2024.

Risk Assessment:

Without the upgrade of these relays, the Cloyes Substation will not be properly monitored and controlled by the Dispatch department. Lack of proper monitoring and supervisory control creates serious risk to life and equipment.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	5,000.00	-	-	-	-	5,000.00
Materials	-	31,000.00	-	-	-	-	31,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ 36,000.00	\$ -	\$ -	\$ -	\$ -	\$ 36,000.00
Impact Fee %							0%
Net Amount:	<u>\$ -</u>	<u>\$ 36,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: College Relay Upgrade

Project Driver: Replacement

Priority Level: Medium

Purpose & Necessity:

The equipment in the substations and generation plants are controlled by a computer like device called a relay. These relays have a potential to fail without notice and have no real preventative maintenance options. The relays in the College Substation are an older version no longer supported after 2024.

Risk Assessment:

Without the upgrade of these relays, the College Substation will not be properly monitored and controlled by the Dispatch department. Lack of proper monitoring and supervisory control creates serious risk to life and equipment.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	5,000.00	-	-	-	5,000.00
Materials	-	-	43,000.00	-	-	-	43,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ 48,000.00	\$ -	\$ -	\$ -	\$ 48,000.00
Impact Fee %							0%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Midway Substation - High Side Rebuild & 138 kV Conversion

Project Driver: Growth

Priority Level: Low

Purpose & Necessity:

The Midway Substation has slowly taken on more load until it has reached its capacity on the high-side of the transformer. It is estimated that by 2027 the high-side will need to be rebuilt to serve the loads being placed on the transformer.

2026 - Design Engineering / Land & Easement Acquisition

2027 - Construction

Risk Assessment:

The high side of the transformer is the side receiving energy from the grid. If the feed to the transformer is compromised, a prolonged outage will be experienced on the substation thus affecting all of the circuits.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	10,000.00	15,000.00	-	-	25,000.00
Materials	-	-	-	2,536,000.00	-	-	2,536,000.00
Subcontractor	-	-	2,490,000.00	449,000.00	-	-	2,939,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ 2,500,000.00	\$ 3,000,000.00	\$ -	\$ -	\$ 5,500,000.00
Impact Fee %	90%	90%	90%	90%	90%	90%	90%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 250,000.00</u>	<u>\$ 300,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 550,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Gas Plant 1 Interconnect

Project Driver: Growth

Priority Level: Low

Purpose & Necessity:

In order to connect the new gas plant 1 to the grid, a new breaker position will need to be installed in the Heber Substation as well as the conductors ran from the new plant to the substation. Engineering and design work to be completed in 2025, with construction in 2027.

Risk Assessment:

A new position at the Heber Substation will need to be created or else the new power plant replacing plant 1 will not be able to connect to the grid.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	15,000.00	-	25,000.00	-	-	-	40,000.00
Materials	-	-	350,000.00	-	-	-	350,000.00
Subcontractor	185,000.00	-	125,000.00	-	-	-	310,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 200,000.00	\$ -	\$ 500,000.00	\$ -	\$ -	\$ -	\$ 700,000.00
Impact Fee %							0%
Net Amount:	<u>\$ 200,000.00</u>	<u>\$ -</u>	<u>\$ 500,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 700,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Cloyes LTC Rebuild

Project Driver: Reliability

Priority Level: Low

Purpose & Necessity:

The Load Tap Changer (LTC) in a transformer allows automatic adjustment of voltage regulation. The Cloyes LTC needs to be rebuilt due to age and wear.

Risk Assessment:

Automatic voltage regulation of the transformer will fail during different loading scenarios. This will ultimately result in an outage so as to protect the assets.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	-	-	-	-	-	8,000.00	8,000.00
Materials	-	-	-	-	-	32,000.00	32,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000.00	\$ 40,000.00
Impact Fee %							0%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,000.00</u>	<u>\$ 40,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Northeast Point of Delivery Substation

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

The annexation by Heber City has presented a need for a new point of delivery substation on the Northeast part of the system. A direct tap off of the PacifiCorp 138kV system will be required to serve the loads brought on by the large development that is being planned for that area. Other projects in this capital plan are being undertaken to connect the early development stages of this master plan but the ultimate need for energy in this area will require a new point of interconnect.

Risk Assessment:

Without this substation, HLP will be unable to serve the proposed 6,500 units for this area.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	-	-	12,000.00	-	150,000.00	150,000.00	312,000.00
Materials	-	-	-	-	2,500,000.00	5,000,000.00	7,500,000.00
Subcontractor	-	-	-	-	2,350,000.00	4,850,000.00	7,200,000.00
Miscellaneous	-	3,142,000.00	-	-	-	-	3,142,000.00
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ 3,142,000.00	\$ 12,000.00	\$ -	\$ 5,000,000.00	\$ 10,000,000.00	\$ 18,154,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Heber Light & Power

Project Analysis Form

Project Name: Southern Substation

Project Driver: Growth

Priority Level: Medium

Purpose & Necessity:

Due to the regular growth and the planned development on the East side of the valley, additional capacity will be required by 2024. This project will include the siting, permitting, design, and construction of a new system load substation.

2022: Land Purchase

2026-2028: Substation Build

Risk Assessment:

Lack of substation capacity in the Lake Creek area will put the system at risk of overloaded circuits and existing equipment ultimately leading to rolling brown outs across the valley.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	-	-	-	-	50,000.00	100,000.00	150,000.00
Materials	-	-	-	-	5,000,000.00	5,400,000.00	10,400,000.00
Subcontractor	-	-	3,500,000.00	2,228,000.00	722,000.00	4,500,000.00	10,950,000.00
Miscellaneous	500,000.00	1,000,000.00	-	-	-	-	1,500,000.00
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 500,000.00	\$ 1,000,000.00	\$ 3,500,000.00	\$ 2,228,000.00	\$ 5,772,000.00	\$ 10,000,000.00	\$ 23,000,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Information Technology

- 1) IT Upgrades
- 2) OT Upgrades
- 3) Smart Grid Investment
- 4) AMI Tower - North Village

Heber Light & Power

Project Analysis Form

Project Name: 2025 Capital Improvements - IT

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

The following collective list of minor capital assets are various technology components that will be purchased over 2024 for installation:

- Computer Replacement Program... \$85,000
- Server Upgrades \$20,000
- Security Upgrades \$20,000
- Domain Migration \$10,000

Risk Assessment:

These assets help HL&P to safely manage and maintain the system and each component carries its own risk if failure to secure said item happens.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	11,000.00	10,000.00	10,000.00	10,000.00	2,000.00	2,000.00	45,000.00
Materials	124,000.00	75,000.00	75,000.00	75,000.00	58,000.00	58,000.00	465,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 135,000.00	\$ 85,000.00	\$ 85,000.00	\$ 85,000.00	\$ 60,000.00	\$ 60,000.00	\$ 510,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 135,000.00</u>	<u>\$ 85,000.00</u>	<u>\$ 85,000.00</u>	<u>\$ 85,000.00</u>	<u>\$ 60,000.00</u>	<u>\$ 60,000.00</u>	<u>\$ 510,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: 2024 Capital Improvements - OT

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

Different operation technology is needed from time to time. This is a blanket amount to ensure that some level of funding is available in the event a piece of equipment or an upgrade to software is required during the year.

Risk Assessment:

These assets help HL&P to safely manage and maintain the system and each component carries its own risk if failure to secure said item happens.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	36,000.00
Materials	24,000.00	24,000.00	24,000.00	24,000.00	24,000.00	24,000.00	144,000.00
Subcontractor	150,000.00	150,000.00	150,000.00	150,000.00	270,000.00	-	870,000.00
Miscellaneous (CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 180,000.00	\$ 180,000.00	\$ 180,000.00	\$ 180,000.00	\$ 300,000.00	\$ 30,000.00	\$ 1,050,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 180,000.00</u>	<u>\$ 180,000.00</u>	<u>\$ 180,000.00</u>	<u>\$ 180,000.00</u>	<u>\$ 300,000.00</u>	<u>\$ 30,000.00</u>	<u>\$ 1,050,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: 2024 Smart Grid Investment

Project Driver: Growth

Priority Level: Medium

Purpose & Necessity:

Electrical utilities are connected to a grid of assets established to transfer and supply energy where needed. Technological advances continue to make additional control features available in an automated format. These automated features are otherwise known as Smart Grid. For the foreseeable future, HLP anticipates needing funds to implement these annual Smart Grid adjustments in order to appropriately serve our customers' needs.

Risk Assessment:

The grid technology is advancing so quickly that without concentrated effort on the incorporation of these changes, HLP will be operating in a risk scenario or will ultimately require a significant grid upgrade investment later.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	12,000.00
Materials	8,000.00	8,000.00	8,000.00	8,000.00	8,000.00	8,000.00	48,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 60,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 10,000.00</u>	<u>\$10,000.00</u>	<u>\$ 10,000.00</u>	<u>\$ 10,000.00</u>	<u>\$ 10,000.00</u>	<u>\$ 10,000.00</u>	<u>\$ 60,000.00</u>

Project Analysis Form

Priority Level: High

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	-	10,000.00	10,000.00	-	-	-	20,000.00
Materials	-	60,000.00	60,000.00	-	-	-	120,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ 70,000.00	\$ 70,000.00	\$ -	\$ -	\$ -	\$ 140,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Tools / Equipment

- 1) 2025 Annual Program

Heber Light & Power

Project Analysis Form

Project Name: 2025 Capital Improvements - Tools

Project Driver: Replacement

Priority Level: Medium

Purpose & Necessity:

The following collective list of tools are planned to be purchased over 2025:

-Substation

- Battery Tester \$10,000

- Distribution

- Single Reel Trailer \$25,000

- 3-SpoolWire Trailer \$100,000

- Underground Puller \$300,000

- Generation

- Drill Press / Mill Dies \$5,000

Risk Assessment:

These tools are required in order to keep the various crews working efficiently and safely.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	-		-	-	-	-	-
Materials	340,000.00	280,000.00	60,000.00	25,000.00	25,000.00	25,000.00	755,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 340,000.00	\$ 280,000.00	\$ 60,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 755,000.00
Impact Fee %	0%	0%	0%	0%	0%		0%
Net Amount:	<u><u>\$ 340,000.00</u></u>	<u><u>\$ 280,000.00</u></u>	<u><u>\$ 60,000.00</u></u>	<u><u>#####</u></u>	<u><u>#####</u></u>	<u><u>#####</u></u>	<u><u>\$ 755,000.00</u></u>



Vehicles

- 1) 2025 Annual Program

Heber Light & Power

Project Analysis Form

Project Name: 2025 Capital Improvements - Vehicles

Project Driver: Replacement

Priority Level: Medium

Purpose & Necessity:

The following vehicles are planned to be purchased in 2025:

- Two (2) 5500 Series Bucket Trucks (\$600,000)
- Two(2) 1500 Light-Duty Fleet Trucks (\$100,000)
- One (1) Hot Stick Trailer (\$40,000)

Risk Assessment:

These vehicles are deemed necessary to adequately service the territory. These vehicle purchases are meant to replace existing vehicles that have reached their useful life based upon company policy.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	-		-	-	-	-	-
Materials	-	-	-	-	-	-	-
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	740,000.00	760,000.00	150,000.00	1,665,000.00	175,000.00	600,000.00	4,090,000.00
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 740,000.00	\$ 760,000.00	\$ 150,000.00	\$ 1,665,000.00	\$ 175,000.00	\$ 600,000.00	\$ 4,090,000.00
Impact Fee %	0%	0%	0%	0%	0%		0%
Net Amount:	<u>\$ 740,000.00</u>	<u>\$ 760,000.00</u>	<u>\$ 150,000.00</u>	<u>\$ 1,665,000.00</u>	<u>\$ 175,000.00</u>	<u>\$ 600,000.00</u>	<u>\$ 4,090,000.00</u>



Metering

- 1) 2025 Metering Installs

Project Analysis Form

Project Name: 2025 Capital Improvements - Metering

Project Driver: Growth

Priority Level: Medium

Purpose & Necessity:

The following collective list of minor capital assets are various metering components that will be purchased over 2025 for installation:

Generation 4 CL 200 Meters ...	\$90,600	Current Transformers Bar Type 100:5.....	\$2,300
CL320 Meters	\$4,600	Current Transformers Bar Type 200:5.....	\$2,500
3S 120 Volt Meters	\$300	Current Transformers Bar Type 300:5	\$800
3S 240 Volt Meters	\$300	Current Transformers Window Type 200:5 ...	\$100
16S Meters	\$5,800	Current Transformers Window Type 300:5 ...	\$500
9S Meters	\$3,900	Current Transformers Window Type 400:5 ...	\$500
Test Switches Single Phase	\$200	Current Transformers Window Type 600:5 ...	\$400
Test Switches Three Phase	\$1,600		

Risk Assessment:

New meters are typically required to meet the new connections demand. The only risk that is involved in the purchase of these metering components is the cash flow risk as these items are purchased and stored in advance of the collection of the impact fee from the customer.

Cash Flow Schedule:

[illegible]

The background of the slide features a close-up, artistic shot of a lit incandescent light bulb. The bulb is oriented vertically, with its glowing filament at the top. The glass of the bulb is translucent, revealing the internal structure, including the base and the filament. Overlaid on the image are faint, light blue circuit board traces. One set of traces is on the left side, and another set is on the right side, both featuring small circular nodes at various points. The overall color palette is a mix of warm yellows and oranges from the light bulb and cool blues from the background and circuit traces.

HEBER LIGHT & POWER COMPANY

2025 OPERATIONS AND CAPITAL BUDGET



BUDGET CONSIDERATIONS



Company Data



Rates



OMAG



Capital

The background is a dark blue gradient. In the corners, there are decorative white line art elements resembling circuit boards or data paths. These elements consist of thin lines that branch out and terminate in small circles, creating a sense of connectivity and technology.

COMPANY DATA

COMPANY DATA

- **Customers** (as of 10/31)

- **Counts**

- 2023: 12,436 Res; 2,423 GS
 - 2024: 13,296 **6.92 %**; 2,355 **-2.81 %**

- **Sales – Energy (kWh)**

- 2023: 102,003,647 Res; 70,729,536 GS
 - 2024: 108,816,820 **6.68 %**; 76,061,679 **7.54 %**

- **Sales – Revenue**

- 2023: \$ 12,405,288.57 Res; \$ 7,245,858.60 GS
 - 2024: \$13,078,172.88 **5.42 %**; \$7,711,603.37 **6.43 %**

COMPANY DATA

- Employees

• Counts	<u>2024</u>	<u>2023 & 2022</u>
• Administration –	10	10
• Lines –	19	18
• Substations -	5	4
• Generation –	2	2
• Resource –	7	7
• IT –	2	2
• Metering –	2	2
• Hydro -	1	1

The background is a dark blue gradient. In the corners, there are decorative white line art elements resembling circuit boards or neural networks, with lines and small circles connecting them.

RATES / FEES

FEES

Office/Billing Fees

- Convenience Fee – 3%
- Late Payment Charge – 1.5%
- Returned Payment - \$15
- Reconnect Fee - \$30
- Service Application Fee - \$20
- Seasonal Disconnect Fee - \$50

FEES

Construction Fees

- Impact Fee – Amperage Calculation
- Line Extension/New Development – Bid Estimate
- Initiation/Will Serve- \$200
- Design Fee - \$300
- Design Fee Resubmittal- \$20/unit
- Truck Roll Fee - \$85
- Dig-in/Damage Mobilization Fee - Graduated
- Temporary Meter Connection - \$500

FEES

New Service / Meter Related Fees

- Wire Pull (up to 400amps) - \$380 + Meter Cost
- Meter Installation Fee (single phase) – \$235
- Meter Installation Fee (3-phase) – \$470
- Meter Read Fee – Nonstandard Monthly - \$20
- Net Metering – Application Fee - \$400

FEES

Device Fees

- Generation Transfer Switch (Inspection) - \$100
- Generation Transfer Switch (Installation) - \$100
- Outside Lighting (Yard Lights) - \$7.50/month
- Outside Lighting Maintenance - \$25 + Parts

RATES

Residential

- Base/Customer Charge ≤ 400 AMP/ > 400 AMP - 17.90/33.90
- 1st 1,000 kWh - 0.10436/kWh
- All Additional – 0.12476/kWh
- Solar Net Meter – (0.09000)/kWh

RATES

Residential (Time-of Use) Opt-in

- Base/Customer Charge ≤ 400 AMP/ > 400 AMP - 17.90/33.90
- Winter On-Peak - 0.15251/kWh
- Winter Off-Peak – 0.07663/kWh
- Summer On-Peak – 0.21256/kWh
- Summer Off-Peak – 0.10489/kWh

RATES

Residential – Pumping

- Base/Customer Charge – 26.00
- Demand Rate – 9.85/kWh
- All kWh – 0.06092/kWh

RATES

General Service – Small ($1\text{kW} < X \leq 30\text{kW}$) (Single Phase)

- Base/Customer Charge – 23.00
- Demand Rate – 11.60/kWh
- 1st 500 kWh – 0.078/kWh
- All Additional – 0.05544/kWh

RATES

General Service – Small ($1\text{kW} < X \leq 30\text{kW}$) (3-Phase)

- Base/Customer Charge – 31.00
- Demand Rate – 11.60/kWh
- 1st 500 kWh – 0.078/kWh
- All Additional – 0.05544/kWh

RATES

General Service – Small ($1\text{kW} < X \leq 30\text{kW}$) – Pumping

- Base/Customer Charge – 38.50
- Demand Rate – 9.85/kWh
- All kWh – 0.06092/kWh

RATES

General Service – Medium ($>30\text{kW}$ & $\leq 250\text{kW}$)

- Base/Customer Charge – 145.00
- Demand Rate – 13.95/kWh
- 1st 200 kWh – 0.05662/kWh
- All Additional – 0.05662/kWh

RATES

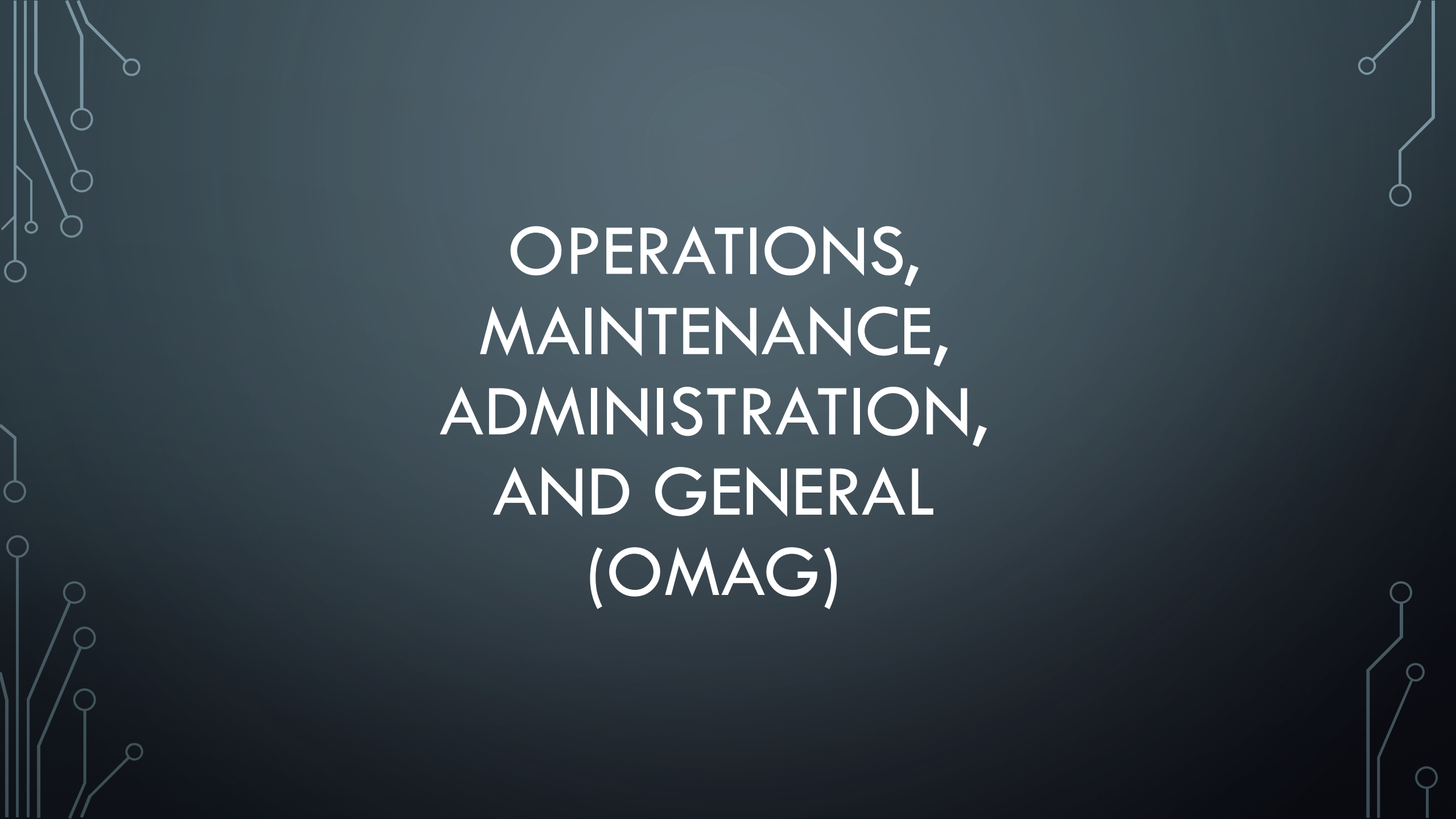
General Service – Medium (>30kW) – Pumping

- Base/Customer Charge – 145.00
- Demand Rate – 9.85/kWh
- All kWh – 0.06092/kWh

RATES

General Service – Large (>250kW)

- Base/Customer Charge – 342.00
- Demand Rate – 15.10/kWh
- All kWh – 0.05289/kWh

The image features a dark blue background with white, stylized circuit board traces in the corners. These traces consist of straight lines and small circles, resembling electronic components or wiring. The traces are located in the top-left, top-right, bottom-left, and bottom-right corners, framing the central text.

OPERATIONS, MAINTENANCE, ADMINISTRATION, AND GENERAL (OMAG)

REVENUES	2022 Actual	2023 Actual	2024 Forecast	2025 Budget
Electricity Sales	\$21,602,690	\$23,757,231	\$26,814,331	\$27,162,850
Jordanelle Sales	1,142,043	1,834,964	1,502,809	1,542,601
Connect Fees	133,526	149,673	186,249	188,199
Other/Miscellaneous Income	<u>199,128</u>	<u>249,911</u>	<u>286,245</u>	<u>287,251</u>
<i>Subtotals</i>	\$23,077,387	\$25,991,779	\$28,789,634	\$29,180,901


EXPENSES	2022 Actual	2023 Actual	2024 Forecast	2025 Budget
Power Purchases	\$12,610,175	\$11,442,806	\$15,066,748	\$14,675,062
Power Purchases - Jordanelle	1,142,043	1,834,964	1,502,809	1,542,601
Unallocated Salaries/Benefits	395,693	1,012,834	1,005,317	1,243,314
System Maintenance/Training	4,750,443	5,352,559	4,663,009	5,165,295
Depreciation (Unallocated)	3,004,438	3,398,471	3,735,545	4,605,774
Gas Generation	1,898,660	1,861,785	2,931,801	3,169,394
Other	275,638	309,337	379,635	379,113
Vehicle	418,186	524,814	505,109	523,499
Office	141,962	153,808	157,192	155,298
Energy Rebates	40,524	54,179	283,014	150,000
Professional Services	231,565	225,172	232,591	231,435
Materials	252,471	180,777	233,269	226,023
Building Expenses	45,975	49,257	42,863	42,353
Bad Debts	<u>15,576</u>	<u>25,680</u>	<u>21,938</u>	<u>24,915</u>
Subtotals	\$25,223,349	\$26,426,443	\$30,760,840	\$32,134,076

OPERATING INCOME	2022 Actual	2023 Actual	2024 Forecast	2025 Budget
Revenues	\$23,077,387	\$25,991,779	\$28,789,634	\$29,180,901
Expenses	<u>25,223,349</u>	<u>26,426,443</u>	<u>30,760,840</u>	<u>32,134,076</u>
Operating Income	(2,145,963)	(434,664)	(1,971,206)	(2,953,175)
less: Depreciation	\$858,476	\$2,963,807	\$1,764,339	\$1,652,599

NON-OPERATING	2022 Actual	2023 Actual	2024 Forecast	2025 Budget
Debt Service	(1,322,344)	(1,632,141)	(1,732,580)	(2,183,201)
Interest Income	276,314	1,668,408	374,001	645,000
Impact Fees	3,195,068	4,142,767	4,499,078	3,000,000
Contributions in Aid	4,056,099	5,359,622	8,585,092	3,000,000
Dividends	<u>(300,000)</u>	<u>(0)</u>	<u>(0)</u>	<u>(300,000)</u>
<i>Total Non-Operating</i>	5,905,137	9,538,656	11,725,591	4,161,799

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<i>Total Non-Operating</i>	5,905,137	9,538,656	11,725,591	4,161,799

INCOME/CASH FLOW	2022 Actual	2023 Actual	2024 Forecast	2025 Budget
Operating Income	858,476	2,963,807	1,764,339	1,652,599
Total Non-Operating Income	<u>5,905,137</u>	<u>9,538,656</u>	<u>11,725,591</u>	<u>4,161,799</u>
<i>Total Income/Cash Flow</i>	6,763,613	12,502,463	13,489,930	5,814,398

The image features a dark blue gradient background. In the corners, there are decorative white line art elements resembling circuit boards or neural networks, with lines and small circles connecting them.

CAPITAL EXPENDITURES (CAPEX)

CAPITAL

	2022 Actual	2023 Actual	2024 Forecast	2025 Budget
Generation - Hydro	118,836	0	0	25,000
Generation – Gas Plant	710,000	550,259	3,232,185	3,515,000
Distribution	8,897,722	4,416,420	6,976,258	10,129,000
Substation	2,400,000	0	20,729,686	220,000
Metering	115,989	147,769	42,844	114,000
Buildings	19,405	8,228	0	23,458,000
Vehicles	171,358	522,504	495,947	740,000
Tools	385,042	62,319	81,758	340,000
Technology - IT	<u>471,046</u>	<u>37,532</u>	<u>75,098</u>	<u>325,000</u>
<i>Total Capital Expenditures</i>	13,289,398	5,745,031	31,633,776	38,866,000



QUESTIONS?