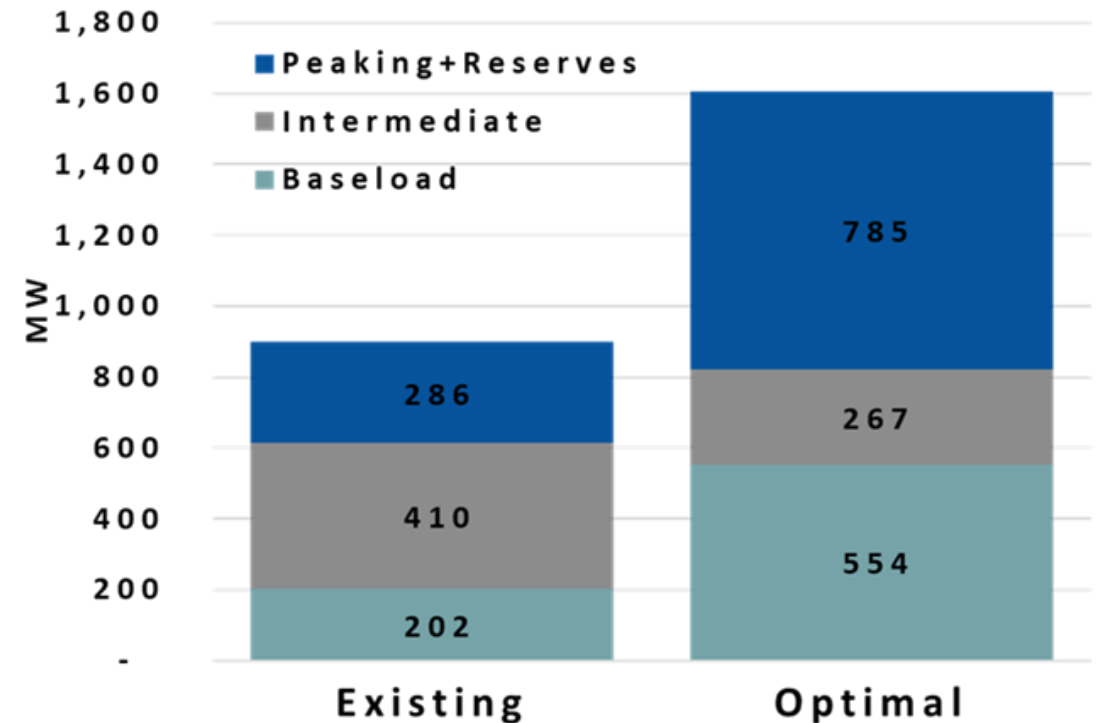


Natural Gas Peaking and Base Load Power Sales Contracts



Alignment with Members Needs

- 2023 Integrated Resource Plan (IRP) identified significant need for both baseload and peaking dispatchable resources
- Natural Gas is cost competitive with other forms of dispatchable power
- IRP also recommended UAMPS project ownership (versus PPA) to hedge against future volatility in the electricity market
- Member 20-year forecasts show need for individual members



Natural Gas Statistics

Peaker
Baseload

Capacity

200 MW

360 MW

COD

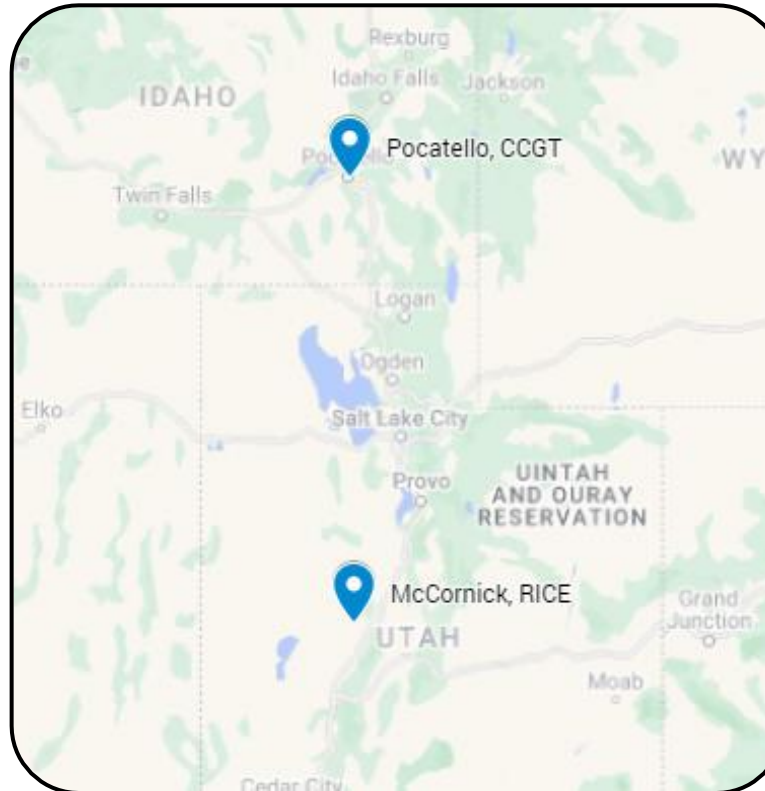
2029

2031

Technology

Gas-Fired Recip Engines

Combined Cycle

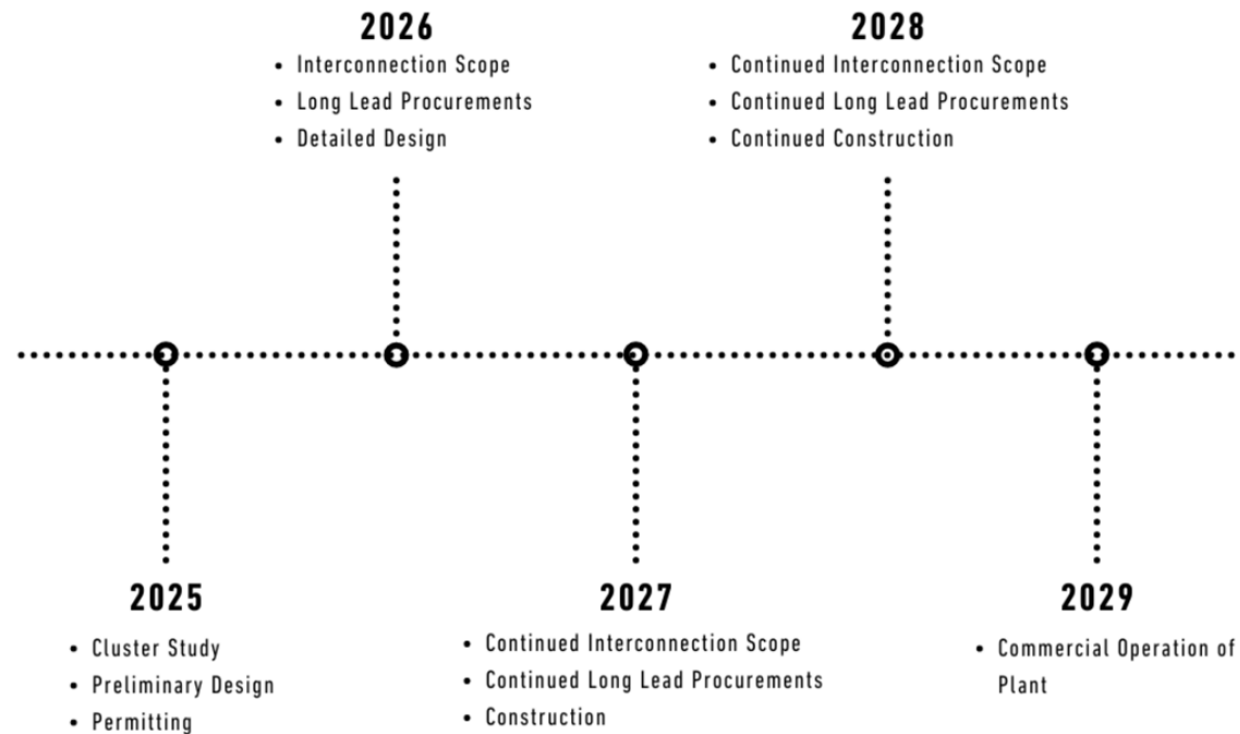


Peaking Facility

- Located in Millard County
- 200 MW fleet of 10-12 Reciprocating Internal Combustion Units (RICE)
- Able to ramp on and off quickly to meet the members' changing load needs
 - Each engine ramps to full load in 2 to 5 minutes
 - Fast ramp times enable integration of additional clean, less expensive, renewable energy
- Natural gas peaking units compliment members' intermittent resources
- Capable of burning hydrogen mix when available in the future
- Ideally located near natural gas and transmission lines

Peaking Facility

TIMELINE & ANTICIPATED DECISION POINTS

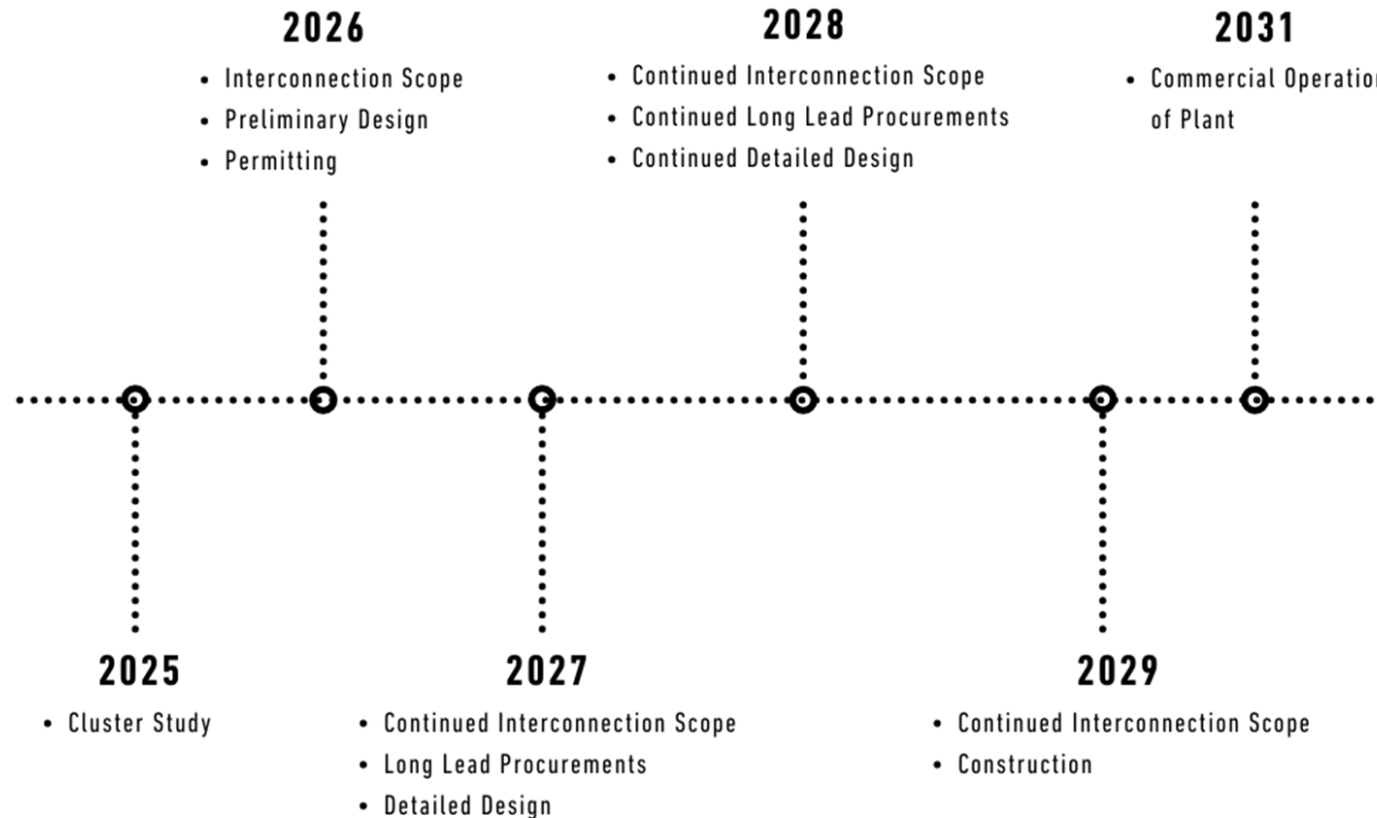


Combined Cycle Facility

- Located in Power County, Idaho
- 360 MW 1x1 frame-style combined cycle plant
- Highly efficient system includes a gas turbine and steam turbine, decreasing overall energy cost
- Natural gas baseload generation is critical to support members' reliable generation needs
- Capable of burning hydrogen mix when available in the future
- Ideally located near natural gas and transmission lines

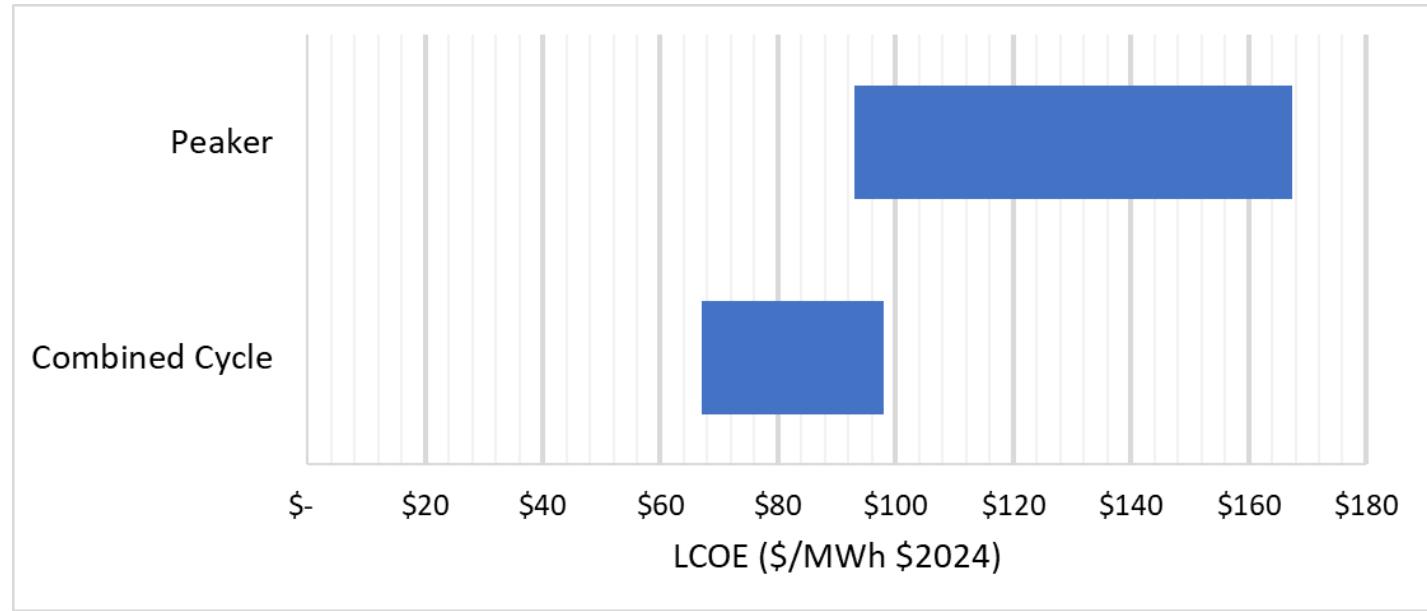
Combined Cycle Facility

TIMELINE & ANTICIPATED DECISION POINTS



Levelized Cost of Energy (LCOE)

- Peaker LCOE: \$93-\$167 (2024\$)
 - CF 20% = \$167/MWh (2024\$)
 - CF 60% = \$93/MWh (2024\$)
 - **\$112/MWh (2024\$) at 40% CF**
- Baseload LCOE: \$66-\$94 (2024\$)
 - CF 40% = \$94/MWh (2024\$)
 - CF 80% = \$66/MWh (2024\$)
 - **\$69/MWh (2024\$) at 75% CF**
- Values compare well with Lazard data analysis

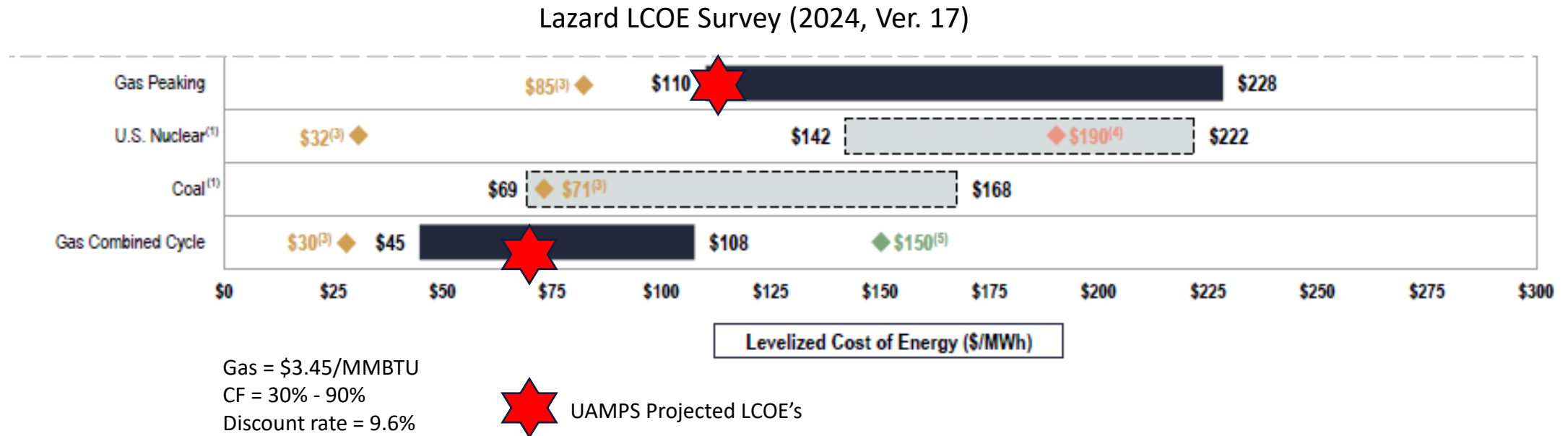


Gas Price assumed to be based on Rockies

Combined cycle, duct firing assumed to be 1,000 hrs of annual generation

Comparable LCOE

Industry-wide estimates provided by Lazard for generic new generation sources show comparable LCOE results as UAMPS estimates (recognizing the assumptions used are not exactly aligned)



Market Comparison

- Other market opportunities have been investigated
- Best alternative is a long-term agreement to utilize an entity's plant as needed (tolling agreement)
 - Another entity owns and operates the plant
 - UAMPS would purchase the gas and schedule the output
- LCOE Pricing
 - Equivalent usage to the baseload project
 - Between \$160/MWh and \$220/MWh

Interconnection is Driving Timing

- Missed cluster study window could result in 12+ month delay
- PacifiCorp is conducting a “cluster study” of resources seeking to interconnect to its system
- Recent reforms to the queue process designed to weed out projects that are not commercially viable include
 - Evidence of site control
 - \$5m deposit for PacifiCorp to conduct the cluster study
 - Withdrawal penalties of 9x study costs
- Deposit and site control required as early as December 2024
- Study will take approximately one year to complete
- Timing of next cluster study unknown—likely January 2026

Development Next Steps

- Major Milestones on Project
 - Get control of land that meets the criteria
 - Engage an Owners Engineer (OE) to write a specification for equipment/contractor and assist with permitting
- Submit Air Permit for the facility
- Submit County, State Permits
- Procure long lead items (some items have 36 month lead times)
- Once transmission path is transparent, issue a request for proposals for the Engineering, Procurement and Construction

Power Sales Contract Key Terms

Natural Gas Power Sales Contracts

- Power Sales Contract contains terms relating to proposed new natural gas projects
- Cradle-to-grave, including: development, acquisition, financing, construction, ownership, operation, and decommissioning
- Contracts must be in place before bonds issue
- Facilitates cost allocation to project Participants
- Provide background about the need for the project and the development work done to date
 - Power County PSC identifies UMPA as potential joint owner

Natural Gas Power Sales Contracts

- Power Sales Contracts must be in place before financing
 - Language in Power Sales Contracts reviewed by Bond Counsel to ensure adequacy for financing/bonding
- Facilitates cost allocation to project Participants
 - Project costs include all debt service, operating, and other costs incurred by UAMPS for the project
 - Near-term costs include those to obtain transmission, permits, securing land and Class engineering cost estimates
 - Financing instruments will be used to cover near term costs
 - No billings to members until energy is received unless project is terminated

Natural Gas Power Sales Contract: Key Terms

- Similar to terms in previous power sales contracts, including Nebo, HBW and Veyo
- Effective when subscription of 85% has been reached, Power Sales Contracts authorized, executed and returned to UAMPS
- Project may only be terminated by super majority vote (75% per capita AND entitlement) when obligations have been paid, including any outstanding bonds, and project has been decommissioned
- Individual Participants may only exit the project under terms in Power Sales Contract

Natural Gas Power Sales Contract: Key Terms

- “Development Period” addresses preliminary stage of project development and allows PMC to determine whether to proceed
- “Construction Period” begins at “Completion of Development,” as determined by the PMC, and ends at Commercial Operation Date
- UAMPS to operate, maintain, and decommission the project
- Participants can use retained earnings from electrical system to make “Capital Contributions” before first long-term bonds issue
- Participant agrees to maintain rates and revenues sufficient to pay its obligations under the Power Sales Contracts
- Participant’s payment obligation is not contingent on energy delivery
- Default of one Participant provides for reallocation of Entitlement Share among non-defaulting Participants on a pro rata basis
 - Non-defaulting Participant Entitlement Share may only increase by up to 25%

Effective Date, Term, Termination

- Effective upon execution by UAMPS and Participant and after project reaches 85% subscription
 - Participant cannot execute until it receives governing body approvals
 - Authorizing Resolution, Bring Down Certificate, and Opinion of Counsel must be delivered at the same time
- Remains in effect until PMC terminates by supermajority vote
 - Can't terminate without ensuring bonds will be paid
 - UAMPS required to use Commercially Reasonable Efforts to disposition project assets and distribute proceeds to members

Project Management Committee

- Project Management Committee (PMC) provides primary oversight and decision making
- Delegates “full and complete authority” to Participant’s Representative (defined as the Participant’s representative to UAMPS under JAA) to act on all matters that come before the PMC
- UAMPS Board acts only on recommendation of PMC
- UAMPS Joint Action Agreement and Bylaws govern voting rights
- Same set up as other UAMPS projects

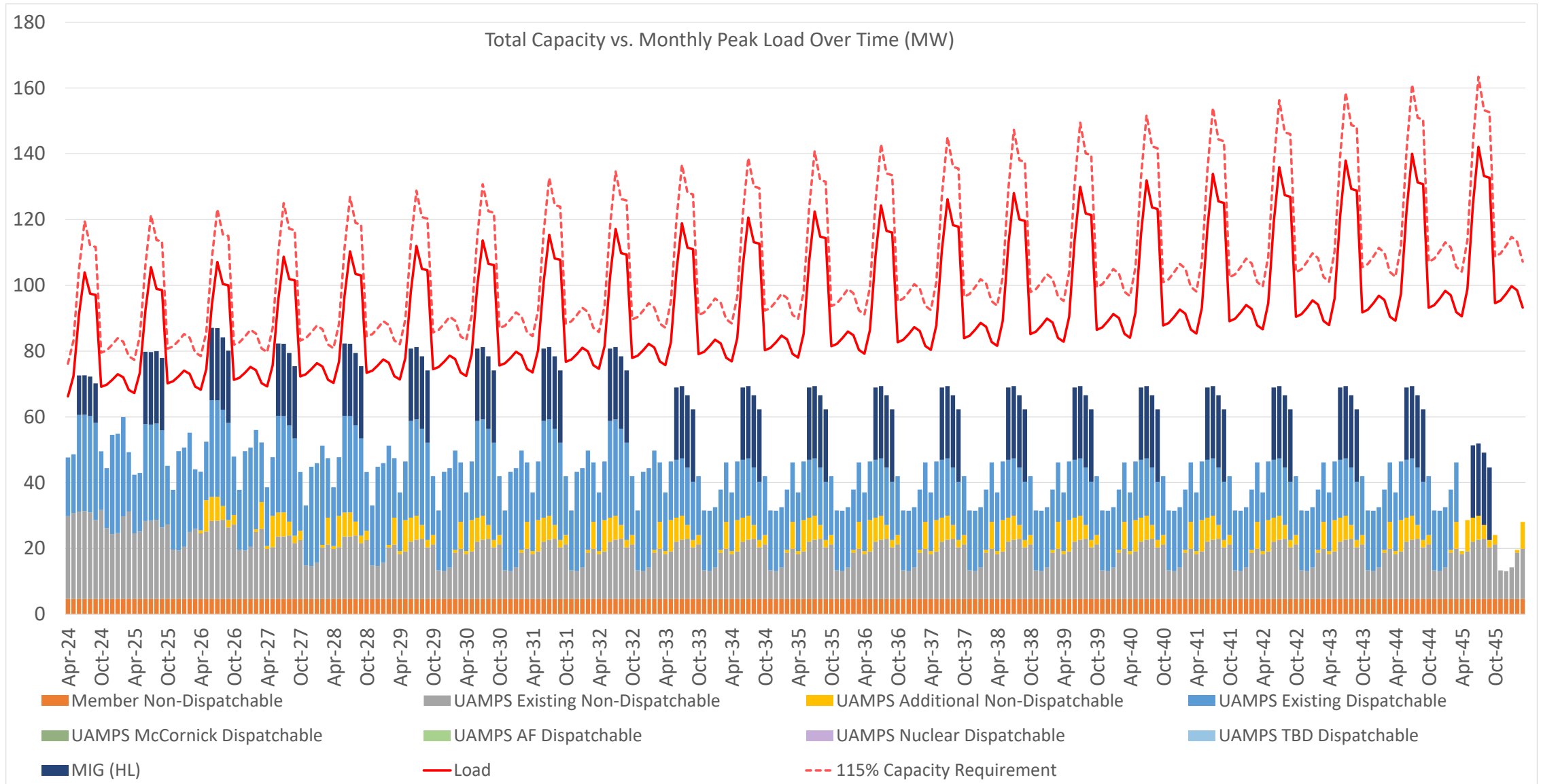
Project Management Committee Determination

- PMC will determine whether the project will proceed past certain pre-determined development milestones
 - Power Sales Contract effective upon 85%
 - UAMPS will solicit additional participation during Development Period
 - If additional subscription is not achieved, UAMPS will downsize the project
 - Target Price for the maximum cost of energy will be established
 - Create off ramps called “determination dates” for when the maximum cost of energy will be evaluated
 - Determine that Target Price has been exceeded = termination of the project

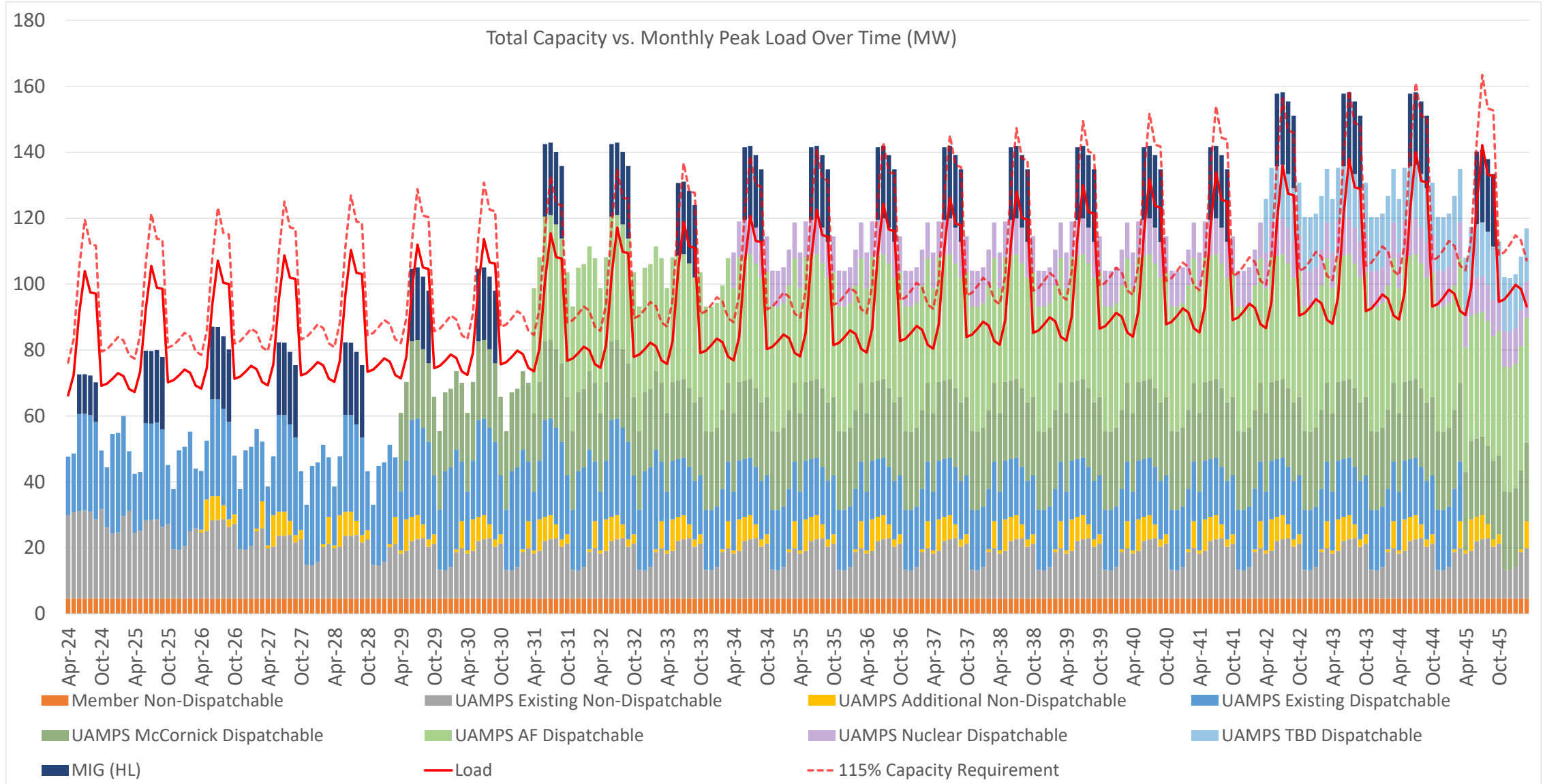
Subscription Recommendation

- 26.25 MW subscription for **Millard County Peaker**
- 31.35MW subscription for **Power County Base Load**

Capacity without Additional Dispatchable



Capacity with Additional Dispatchable



Key Methodology – Detailed Assumptions

- Base Year = 2024
- Load is based on 2024 forecast provided by Kelton
 - Load Growth = 1.5%, annual, exponential
- Existing non-dispatchable and/or renewable generation in 2024 forecast is assumed to be constant each year until that resource is retired
- Hunter (if applicable) is assumed to only be available for 7 winter and summer months (consistent with 2024 operating approach)
- Nebo (if applicable) is assumed to operate “perfectly.” If there is any need/load beyond what the non-dispatchable resources + Hunter can provide, the model assumes Nebo will be on, running at least at its min capacity, up to its max capacity
- MIGs also operate “perfectly.” If there is any need/load beyond what Nebo and/or other dispatchable resources can provide, the model assumes any available MIGs will be generating up to the currently available MIG capacity (which varies depending on HL and LL hours)
 - i.e., MIGs run only if all other resources (including new resources in future years) cannot meet load

Additional Assumptions

- IPP (if applicable) is not credited
- Hunter (if applicable) is assumed to be online through 2032
- Nebo (if applicable) is assumed be online through 2044
- New non-dispatchable/renewable resources considered:
 - HB1 software upgrade (if applicable)
 - Fremont solar
- New dispatchable resources considered:
 - Millard County Peaker
 - Power County Base Load
 - New Nuclear
 - TBD Dispatchable

QUESTIONS
