

**INTERMOUNTAIN POWER AGENCY  
BOARD OF DIRECTORS MEETING  
MARCH 4, 2025**

**MINUTES**

A meeting of the Intermountain Power Agency (IPA) Board of Directors was held on March 4, 2025, at the Los Angeles Marriott Burbank Airport Hotel, located at 2500 N Hollywood Way, Burbank, CA 91505, as well as via Zoom virtual meeting. The following participated:

**BOARD MEMBERS PRESENT**

Nick Tatton  
Eric Larsen  
Allen Johnson  
Mark Montgomery  
Bruce Rigby  
Jason Norlen - Virtual

**BOARD MEMBERS NOT PRESENT**

Joel Eves

**OTHERS IN ATTENDANCE**

|                  |                    |
|------------------|--------------------|
| Cameron Cowan    | IPA                |
| Blaine Haacke    | IPA                |
| Linford Jensen   | IPA                |
| Vance Huntley    | IPA                |
| Cody Combe       | IPA - Virtual      |
| Michelle Miller  | IPA                |
| Caitlyn Cottrell | IPA - Virtual      |
| Brian Freeman    | IPA – Virtual      |
| Saif Mogri       | IPA Consultant     |
| Mike Utley       | IPSC               |
| Zane Draper      | IPSC               |
| Dahl Dalton      | IPSC               |
| Jon Finlinson    | IPSC - Virtual     |
| Eric Bawden      | Holland & Hart     |
| Lily Cardenas    | Glendale - Virtual |
| Leif Harasin     | Glendale - Virtual |
| John Ward        | John Ward Inc      |
| Lori Morrish     | LADWP              |
| Kevin Peng       | LADWP              |
| Greg Huynh       | LADWP              |

David Steele  
Rob Hughes

Oak City - Virtual  
Parsons, Behle & Latimer

## **INTRODUCTIONS AND ANNOUNCEMENTS**

The meeting commenced at 12:30 p.m. conducted by Chair, Nick Tatton. Mr. Tatton welcomed everyone to the meeting and introduced all who were attending and declared a quorum was present.

## **IPA BOARD CHAIR ITEMS**

There were none.

## **IPA BOARD COMMITTEE BUSINESS REPORTS**

There were none.

## **OPERATING AGENT AND PROJECT MANAGER Q&A**

Mr. Tatton asked Mr. Peng, Operating Agent, and Ms. Morrish, Project Manager, if they had any information or comments for the Board.

Ms. Morrish said the Unit 3 first fire was on February 27, 2025. All other areas of the Project continue to move forward.

Mr. Tatton asked Ms. Morrish if the Unit 4 first fire was still planned for March 20, 2025. Ms. Morrish said yes.

Mr. Tatton asked Mr. Huynh if he had any additional comments. Mr. Huynh said that 2025 had been a hard year for the Project and the Department with the wildfires among other things. Mr. Huynh talked about the California wildfires and how important it was to be able to have access to reliable power to help California get through all that. Mr. Huynh said the LADWP wants to make sure the Project continues to be part of the LADWP portfolio as we move forward.

Mr. Huynh also reviewed the milestones taking place in the new Project including transitioning to the new gas units, the switchyards, the STS, the converter stations, and further development at IPP.

Mr. Johnson expressed appreciation for the good work the Team is doing, especially Mr. Greg Huynh, Ms. Lori Morrish and Mr. Kevin Peng.

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Mr. Tatton asked Mr. Peng if he had any additional comments. Mr. Peng expressed his appreciation to the IPSC site team, including Mr. Dahle Dalton and Mr. Jon Christensen.

Mr. Tatton thanked everyone for their comments.

**RESOLUTION IPA-2025-001 CONSIDERATION OF APPROVAL OF  
ESTIMATED AGGREGATE MAXIMUM GENERATING CAPACITY -  
SUMMER 2025**

Mr. Tatton asked Mr. Peng to provide a description of Resolution IPA-2025-001. Mr. Peng provided the description of the Estimated Aggregate Maximum Generating Capacity and asked if there were any questions. Hearing none, Mr. Tatton asked for a motion to approve Resolution IPA-2025-001.

**Mr. Rigby made a motion to approve Resolution IPA-2025-001. Mr. Johnson seconded the motion. A vote by all Board members participating in the meeting was taken and the vote was unanimous in the affirmative.**

**RESOLUTION IPA-2025-002 CONSIDERATION OF AUTHORIZATION TO  
EXECUTE GENERATOR INTERCONNECTION AGREEMENTS - MILFORD  
ENTITIES**

Mr. Tatton asked Mr. Peng to provide a description of Resolution IPA-2025-002. Mr. Peng provided the description of the Generator Interconnection Agreements - Milford Entities and asked if there were any questions. Hearing none, Mr. Tatton asked for a motion to approve Resolution IPA-2025-002.

**Mr. Montgomery made a motion to approve Resolution IPA-2025-002. Mr. Larsen seconded the motion. A vote by all Board members participating in the meeting was taken and the vote was unanimous in the affirmative.**

**RESOLUTION IPA-2025-003 CONSIDERATION OF AUTHORIZATION TO  
EXECUTE GENERATOR INJECTION RIGHTS AGREEMENT AND  
INTERCONNECTED OPERATING PROTOCOLS AND PROCEDURES  
AGREEMENT - MILFORD SOLAR PHASE 11**

Mr. Tatton asked Mr. Peng to provide a description of Resolution IPA-2025-003. Mr. Peng provided the description of the Generator Injection Rights Agreement and Interconnected Operating Protocols and Procedures Agreement - Milford Solar Phase 11 and asked if there were any questions. Hearing none, Mr. Tatton asked for a motion to approve Resolution IPA-2025-003.

**Mr. Rigby made a motion to approve Resolution IPA-2025-003. Mr. Larsen seconded the motion. A vote by all Board members participating in the meeting was taken and the vote was unanimous in the affirmative.**

**RESOLUTION IPA-2025-004 CONSIDERATION OF AUTHORIZATION TO EXECUTE TRANSMISSION INTERCONNECTION AGREEMENT**

Mr. Tatton asked Mr. Peng to provide a description of Resolution IPA-2025-004. Mr. Peng provided the description of the Transmission Interconnection Agreement and asked if there were any questions. Hearing none, Mr. Tatton asked for a motion to approve Resolution IPA-2025-004.

**Mr. Larsen made a motion to approve Resolution IPA-2025-004. Mr. Johnson seconded the motion. A vote by all Board members participating in the meeting was taken and the vote was unanimous in the affirmative.**

**RESOLUTION IPA-2025-005 CONSIDERATION OF AUTHORIZATION TO EXECUTE AGREEMENTS FOR LONG-TERM SUPPORT AND PATCH MANAGEMENT SERVICES - SIEMENS ENERGY**

Mr. Tatton asked Mr. Peng to provide a description of Resolution IPA-2025-005. Mr. Peng provided the description of the Long-Term Support and Patch Management Services Agreements - Siemens Energy and asked if there were any questions. Hearing none, Mr. Tatton asked for a motion to approve Resolution IPA-2025-005.

**Mr. Johnson made a motion to approve Resolution IPA-2025-005. Mr. Rigby seconded the motion. A vote by all Board members participating in the meeting was taken and the vote was unanimous in the affirmative.**

**RESOLUTION IPA-2025-006 CONSIDERATION OF APPROVAL OF SEMI - ANNUAL BUDGETS UPDATES FOR THE GAS REPOWERING AND THE STS RENEWAL PROJECT**

Mr. Tatton asked Ms. Morrish to provide a description of Resolution IPA-2025-006. Ms. Morrish provided the description of the Updated Budgets for the Gas Repowering and the STS Renewal Project and asked if there were any questions. Hearing none, Mr. Tatton asked for a motion to approve Resolution IPA-2025-006.

**Mr. Larsen made a motion to approve Resolution IPA-2025-006. Mr. Johnson seconded the motion. A vote by all Board members participating in the meeting was taken and the vote was unanimous in the affirmative.**

**IPA MANAGEMENT REPORTS**

## **GENERAL MANAGER REPORT**

Mr. Cowan said IPA is in the process of updating the Electronic Device Policy for Board members to purchase an electronic device. The policy that is currently in place is outdated. IPA is doing research to find out what the new standard device should be and the price. If a Board member would like a different device, they can use the standard device credit towards the different device. Each Board member is allowed a new device when starting a new four-year term.

Once the policy is updated, Mr. Cowan will be submitting it to Mr. Tatton for approval and then distributing it to the Board.

Mr. Larsen said he likes to use his electronic device to load the IPA meeting agendas as well as the meeting materials. Mr. Larsen encouraged IPA to go paperless when traveling to a meeting.

Mr. Tatton thanked Mr. Cowan for his report.

## **ASSISTANT GENERAL MANAGER REPORT**

Mr. Haacke gave an update on the contractor meetings that have happened at the site since the February Board meeting.

Mr. Haacke gave an update on the de-brining process of Cavern Well (CW)-23.

Mr. Haacke said Ms. Morrish gave a great update on the progress of the Project in the CC meeting earlier this morning.

Mr. Haacke informed the Board that Craig Broussard of Magnum has retired from ACES Delta as the President and CEO. He will remain on the Board but not in an active capacity.

Mr. Tatton thanked Mr. Haacke for his report.

## **ACCOUNTING MANAGER REPORT**

Mr. Jensen directed the Board to the draft Financial Report for the period ending December 31, 2024, and compared the balances for December 2024 with those for December 2023.

Mr. Jensen reviewed the IPA A&G and Ongoing Finance Budget for fiscal year ending December 31, 2024. He reported that the electric plant in service is \$497.1 million more

than in the previous period due to construction work in progress (CWIP) on the Renewal Project. The cash and cash equivalents are \$148 million more due to the issuance of the 2024 Series A&B Bonds. The credit to participants through December 2024 is just over \$35 million. Fuel expenses are \$87 million more than in the previous period. Maintenance and operation costs are \$211 thousand less. Fuel Inventories are \$795 thousand more than in the previous period. The Long-term bonds payable are currently \$1.973 billion. The interest on Bonds Payable is currently \$42 million. The payments in aid of construction are \$221 million. The average cost of power is 55.9 mills/kWh.

Mr. Tatton thanked Mr. Jensen for his report.

Report attached below.

### **TREASURY MANAGER REPORT**

Mr. Huntley directed the Board to the Investment Report as of January 31, 2025. The total book value of the portfolio was \$144.6 million. The portfolio performance fiscal year to date is 4.358%. The portfolio structure includes 45.43% Corporate Notes, 13.51% US Treasury/Agency, none in Commercial Paper, and 41.06% Money Market/Cash. 43.21% of the investment portfolio matures in less than three months, with 1.85% in three to six months, 36.24% in six months to one year, 18.70% in one to three years, and none in three to five years. The weighted average life of the portfolio is 227 days.

Mr. Tatton asked Mr. Huntley when the first net debt service payment would be. Mr. Huntley said July 1, 2026.

Mr. Huntley directed the Board to the Construction Fund Investment Report as of January 31, 2025. The total book value of the portfolio was \$976 million. The portfolio performance fiscal year to date is 4.676%. The portfolio structure includes 49.43% US Treasury/Agency, 40.04% Corporate Notes, .25% Commercial Paper, and 10.28% Money Market/Cash. 31.48% of the investment portfolio matures in less than three months, with 33.93% in three to six months, 13.94% in six months to one year, 17.86% in one to three years, 1.87% in three to five years, and .92% in beyond five years. The weighted average life of the portfolio is 244 days.

Mr. Huntley reviewed the Investment Portfolio – Construction Fund Investments by Fund as of January 31, 2025, including the Tax- Exempt Construction Fund; Taxable Construction Fund; Debt Service Fund; Debt Service Reserve Fund; Decommissioning Fund; Hydrogen Fund; Hydrogen Reserve; STS Construction Fund; and the STS Decommissioning Fund.

Mr. Huntley gave the Board a market overview of the current movement of rates.

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Mr. Tatton thanked Mr. Huntley for his report.

Report attached below.

### **AUDIT MANAGER REPORT**

Mr. Combe reviewed with the Board the items the IPA Audit Department has been working on including the in-person LADWP audit trip to work with the Project Accounting Group to start the Project Manager audit as well as the Operating Agent Audit for the fiscal periods of 2022, 2023 and 2024. The IPP Audit Committee meeting was also held while IPA was in LA.

Mr. Tatton thanked Mr. Combe for his report.

### **ENGINEERING REPORT**

Mr. Mogri, IPA's Engineering Consultant, provided a detailed report on the 2025 US Power Issues Report as of March 4, 2025, including the Electricity Price Increase, the Rising Demand and Reliability, the Challenging Supply Demand Dynamics, the Future of Renewables, the Future of Nuclear Energy, and the Major Transmission Policies.

Mr. Mogri said the US Consumer Prices will continue to increase by an average of 13.2 cents, which is about a 4-5% increase. They will also increase due to the rising demand, the transmission and distribution cost increases, and the anticipated rise in price of natural gas.

Mr. Mogri said the Rising Demand and Reliability are due to data centers and electrification driving demand as well as generator retirements. The NERC 2024 Assessment shows the Electric Grid could see shortfalls in 5-10 years, and the peak summer demand of 122 GW increase in 10 years. The NERC Extreme Weather Reliability Standards have been updated.

Mr. Mogri said the Challenging Supply Demand Dynamics includes the Power Supply to meet the growing demand, the Capacity Markets, the Day Ahead Markets, the Interconnection Queue Dynamics, and the Equipment Supply Issues.

Mr. Mogri said the Future of Renewables includes connecting to the Grid is a challenge, stymied by Interconnection or Siting, possible Tariffs, replacing Baseload Generation, Supply Chain Constraints, and Battery Storage.

Mr. Mogri said the Future of Nuclear Energy includes Nuclear Energy Gaining Momentum, the US Nuclear Regulatory Commission will be Instrumental, and the development of Small Modular Reactors.

Mr. Mogri said the Major Transmission Policies includes Siting and Permitting Issues, the Transmission Key Role and the Transmission Reliability Assessment.

Mr. Tatton thanked Mr. Mogri for the report.

Report attached below.

### **POTENTIAL CONSIDERATION OF CLOSED MEETING**

Mr. Tatton asked for a motion to move into a Closed Meeting to discuss the following:

Conduct a strategy session to discuss market conditions relevant to a business decision regarding the value of an IPA asset if the terms of the business decision are publicly disclosed before the decision is finalized and a public discussion would (a) disclose the appraisal or estimated value of the IPA under consideration or (b) prevent IPA from completing on the best possible terms a contemplated transaction concerning the IPA asset.

Discuss a record, the disclosure of which could cause commercial injury to, or confer a competitive advantage upon a potential or actual competitor of, IPA.

Discuss a business decision, the disclosure of which could cause a potential commercial injury to, or confer a competitive advantage upon a potential or actual competitor of, IPA.

Discuss a matter, the discussion of which outside a closed meeting would prevent IPA from getting the best price on the market.

This meeting will be held in this room on March 4, 2025, at 1:30 p.m. at the Los Angeles Marriott Burbank Airport in Burbank, CA.

**Mr. Johnson made a motion to move into a Closed Meeting. Mr. Montgomery seconded the motion. A vote by all Board members participating in the meeting was taken and the vote was unanimous in the affirmative.**

### **BOARD MEMBERS PRESENT AND VOTED IN FAVOR OF THE CLOSED MEETING:**

**Nick Tatton  
Eric Larsen  
Allen Johnson**



**Mark Montgomery**  
**Bruce Rigby**  
**Jason Norlen - Virtual**

**BOARD MEMBERS NOT PRESENT:**

**Joel Eves**

**OTHERS IN ATTENDANCE AT THE CLOSED MEETING:**

|                         |                                     |
|-------------------------|-------------------------------------|
| <b>Cameron Cowan</b>    | <b>IPA</b>                          |
| <b>Blaine Haacke</b>    | <b>IPA</b>                          |
| <b>Linford Jensen</b>   | <b>IPA</b>                          |
| <b>Vance Huntley</b>    | <b>IPA</b>                          |
| <b>Cody Combe</b>       | <b>IPA - Virtual</b>                |
| <b>Michelle Miller</b>  | <b>IPA</b>                          |
| <b>Caitlyn Cottrell</b> | <b>IPA - Virtual</b>                |
| <b>Brian Freeman</b>    | <b>IPA – Virtual</b>                |
| <b>Saif Mogri</b>       | <b>IPA Consultant</b>               |
| <b>Mike Utley</b>       | <b>IPSC</b>                         |
| <b>Zane Draper</b>      | <b>IPSC</b>                         |
| <b>Dahl Dalton</b>      | <b>IPSC</b>                         |
| <b>Jon Finlinson</b>    | <b>IPSC - Virtual</b>               |
| <b>Eric Bawden</b>      | <b>Holland &amp; Hart</b>           |
| <b>John Ward</b>        | <b>John Ward Inc</b>                |
| <b>Lori Morrish</b>     | <b>LADWP</b>                        |
| <b>Greg Huynh</b>       | <b>LADWP</b>                        |
| <b>David Steele</b>     | <b>Oak City - Virtual</b>           |
| <b>Rob Hughes</b>       | <b>Parsons, Behle &amp; Latimer</b> |

Mr. Tatton asked for a motion to adjourn the Closed Meeting.

**Mr. Rigby made a motion to adjourn. Mr. Johnson seconded the motion. A vote by all Board members participating in the meeting was taken and the vote was unanimous in the affirmative. The closed meeting adjourned at 2:12 p.m.**

Mr. Tatton said the Open Meeting will be reconvened at 2:12 p.m. to address the IPA Business and complete the remaining Board agenda items.

**OTHER BUSINESS**

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Mr. Cowan said there will potentially be a virtual Board meeting on Tuesday, March 11, 2025, to consider and approve a Resolution.

**ADJOURN**

Mr. Tatton thanked everyone for their comments.

Mr. Tatton asked for a motion to adjourn.

**Mr. Montgomery made a motion to adjourn. Mr. Johnson seconded the motion. A vote by all Board members participating in the meeting was taken and the vote was unanimous in the affirmative. The meeting was adjourned at 2:15 p.m.**

**TIME AND PLACE OF NEXT SCHEDULED MEETING**

Monday, April 21, 2025, 1:00 p.m., (MDT) at the IPA Offices located at 10653 S. River Front Parkway, Suite 120, South Jordan, Utah 84095.

Minutes taken by Michelle Miller.



# Financial Report

(In Thousands of Dollars, Unaudited)

**DRAFT**

## STATEMENTS OF NET POSITION

| December 31,   | 2024                | 2023                |
|--|---------------------|---------------------|
| <b>ASSETS</b>  |                     |                     |
| <b>Utility Plant:</b>                                      |                     |                     |
| Electric plant in service                                  | \$ 4,611,653        | \$ 4,114,461        |
| Less accumulated depreciation                              | (2,854,719)         | (2,760,267)         |
| <b>Net</b>   | <b>1,756,934</b>    | <b>1,354,194</b>    |
| <b>Restricted Assets:</b>                                  |                     |                     |
| Cash and cash equivalents                                  | 233,904             | 85,460              |
| Investments  | 807,415             | 1,091,140           |
| Interest receivable  | 3,820               | 6,739               |
| <b>Total</b>   | <b>1,045,139</b>    | <b>1,183,339</b>    |
| <b>Other Non-Current Assets</b>                            |                     |                     |
| Prepaid personnel services contract costs                  | 52,007              | 34,685              |
| Other  | 3,930               | 3,080               |
| <b>Total</b>   | <b>55,937</b>       | <b>37,765</b>       |
| <b>Total Non-Current Assets</b>                            | <b>2,858,010</b>    | <b>2,575,298</b>    |
| <b>Current Assets:</b>                                     |                     |                     |
| Cash and cash equivalents                                  | 57,464              | 43,114              |
| Investments  | 63,028              | 76,157              |
| Interest receivable  | 565                 | 625                 |
| Receivable from participants                               |                     |                     |
| Fuel inventories   | 27,706              | 26,911              |
| Materials and supplies                                     | 15,232              | 17,345              |
| Other  | 6,474               | 5,520               |
| <b>Total Current Assets</b>                                | <b>170,469</b>      | <b>169,672</b>      |
| <b>Total Assets</b>  | <b>3,028,479</b>    | <b>2,744,970</b>    |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                      |                     |                     |
| Unamortized refunding charge                               |                     |                     |
| Unamortized asset retirement costs                         | 33,048              | 70,342              |
| Other  | 2,562               | 3,158               |
| <b>Total Deferred Outflows of Resources</b>                | <b>35,610</b>       | <b>73,500</b>       |
| <b>Total Assets and deferred outflows of resources</b>     | <b>\$ 3,064,089</b> | <b>\$ 2,818,470</b> |
| <b>LIABILITIES</b>   |                     |                     |
| <b>Long-term bonds payable, net</b>                        | <b>\$ 1,973,906</b> | <b>\$ 1,798,090</b> |
| <b>Advances from SCPPA</b>                                 | <b>10,930</b>       | <b>10,930</b>       |
| <b>Other Non-Current Liabilities:</b>                      |                     |                     |
| Asset retirement obligations                               | 311,939             | 307,050             |
| Other  | 1,419               | 1,777               |
| <b>Total</b>   | <b>313,358</b>      | <b>308,827</b>      |
| <b>Current Liabilities:</b>                                |                     |                     |
| Interest payable   | 42,008              | 35,701              |
| Accrued credit to participants                             | 35,461              | 26,365              |
| Accounts payable and accrued liabilities                   | 177,254             | 116,890             |
| <b>Total</b>   | <b>254,723</b>      | <b>178,956</b>      |
| <b>Total Liabilities</b>                                   | <b>2,552,917</b>    | <b>2,296,803</b>    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                       |                     |                     |
| Net costs billed to participants not yet expensed          | 152,210             | 267,178             |
| Prefunding of decommissioning and hydrogen betterments     | 354,705             | 250,000             |
| Other  | 4,257               | 4,489               |
| <b>Total Deferred Inflows of Resources</b>                 | <b>511,172</b>      | <b>521,667</b>      |
| <b>Total Liabilities and deferred inflows of resources</b> | <b>\$ 3,064,089</b> | <b>\$ 2,818,470</b> |

## STATEMENTS OF REVENUES AND EXPENSES

For the 6 Months Ended

| December 31,  | 2024            | 2023            |
|---|-----------------|-----------------|
| <b>Operating Revenues:</b>  |                 |                 |
| Power sales to participants   | \$ 277,795      | \$ 164,363      |
| Less credit to participants   | (35,462)        | (26,945)        |
| <b>Total revenues</b>   | <b>242,333</b>  | <b>137,418</b>  |
| <b>Operating Expenses:</b>  |                 |                 |
| Fuel  | 160,178         | 74,103          |
| Operation   | 42,470          | 40,808          |
| Maintenance   | 18,116          | 19,989          |
| Depreciation and amortization   | 71,494          | 67,613          |
| Taxes and payments in lieu of taxes                                   | 2,975           | 5,541           |
| <b>Total expenses</b>   | <b>295,233</b>  | <b>208,054</b>  |
| <b>Operating Loss</b>   | <b>(52,900)</b> | <b>(70,636)</b> |
| <b>Nonoperating Income</b>  | <b>23</b>       | <b>362</b>      |
| <b>Interest Charges (Benefit):</b>                                    |                 |                 |
| Interest on bonds, subordinated notes and other debt                  | 44,450          | 35,945          |
| Amortization of bond premium (net of financing expenses)              | (5,642)         | (2,143)         |
| (Earnings) on investments   | (27,684)        | (36,814)        |
| <b>Net interest charges</b>   | <b>11,124</b>   | <b>(3,012)</b>  |
| <b>NET COSTS BILLED TO BE RECOVERED FROM BILLINGS TO PARTICIPANTS</b> | <b>(64,001)</b> | <b>(67,262)</b> |
| <b>CHANGE IN NET POSITION</b>   | <b>\$ -</b>     | <b>\$ -</b>     |

**DRAFT****STATEMENTS OF CASH FLOWS***For the 6 Months Ended**December 31,*

|   | 2024              | 2023              |
|---|-------------------|-------------------|
| <b><i>Cash Flows from Operating Activities:</i></b>                     |                   |                   |
| Cash received from billings to participants                             | \$ 319,438        | \$ 179,028        |
| Other cash receipts   | 23                | 362               |
| Cash paid to suppliers  | (301,257)         | (198,518)         |
| <b>Net cash provided by (used in) operating activities</b>              | <b>18,204</b>     | <b>(19,128)</b>   |
| <b><i>Cash Flows from Capital and Related Financing Activities:</i></b> |                   |                   |
| Proceeds from issuance of long-term debt                                | 190,426           | 923,466           |
| Debt issuance costs   | (1,094)           | (2,965)           |
| Principal paid on long-term debt  |                   | (6,382)           |
| Interest paid on long-term debt   | (43,328)          | (19,865)          |
| Additions to electric plant in service                                  | (313,776)         | (462,603)         |
| Payments in aid of construction   | 221,746           | 119,884           |
| <b>Net cash provided by capital and related financing activities</b>    | <b>53,974</b>     | <b>551,535</b>    |
| <b><i>Cash Flows from Investing Activities:</i></b>                     |                   |                   |
| Purchases of investments  | (533,568)         | (1,085,736)       |
| Proceeds from sales/maturities of investments                           | 550,495           | 439,439           |
| Interest on investments   | 19,100            | 10,145            |
| <b>Net cash provided by (used in) investing activities</b>              | <b>36,027</b>     | <b>(636,152)</b>  |
| <b><i>Net (Decrease) Increase in Cash and Cash Equivalents</i></b>      | <b>108,205</b>    | <b>(103,745)</b>  |
| Beginning Balance   | 183,163           | 232,319           |
| <b>ENDING BALANCE</b>   | <b>\$ 291,368</b> | <b>\$ 128,574</b> |

|   | 2024             | 2023               |
|---|------------------|--------------------|
| <b><i>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</i></b>                        |                  |                    |
| Operating income  | \$ (52,900)      | \$ (70,636)        |
| Other nonoperating income   | 23               | 362                |
| Depreciation  | 71,494           | 67,613             |
| Financing costs net of amortization of bond and subordinated note discount and refunding charge on defeasance of debt | (63)             | (249)              |
| Changes in operating assets and liabilities:  |                  |                    |
| Receivable from participants  |                  |                    |
| Fuel inventories  | 51,313           | 24,729             |
| Materials and supplies  | (164)            | (215)              |
| Other current assets  | (2,964)          | (1,824)            |
| Prepaid personnel services contract costs   |                  |                    |
| Other liabilities   |                  |                    |
| Accounts payable and accrued liabilities  | (125,638)        | (79,718)           |
| Accrued credit to participants  | 25,398           | (12,190)           |
| Other assets  |                  |                    |
| Deferred outflows of resources  |                  |                    |
| Deferred inflows of resources   | 51,705           | 53,000             |
| <b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>  | <b>\$ 18,204</b> | <b>\$ (19,128)</b> |

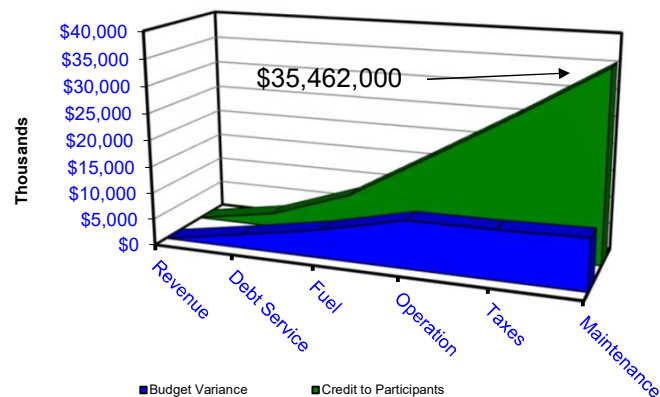
Selected Operating Results

For the 6 Months Ended December 31, 2024

|                                    |           |
|------------------------------------|-----------|
| Planned Net Generation             | 3,850,200 |
| Actual Net Generation              | 4,337,431 |
| Cumulative Availability            | 99.25%    |
| Cumulative Net Output Factor       | 54.97%    |
| Cumulative Net Capacity Factor     | 54.55%    |
| Cumulative Net Heat Rate (btu/kwh) | 10,079    |
| Coal Usage (tons)                  | 1,951,536 |

Power Costs in Excess of Participant Billings

For the 6 Months Ended December 31, 2024

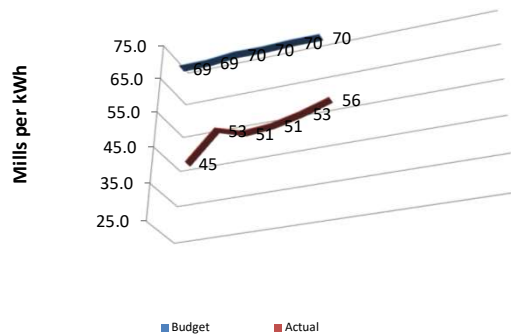


Average Purchaser Cost (Mills per kWh)

For the 6 Months Ended December 31, 2024

|              |      |
|--------------|------|
| Generation   | 54.1 |
| Transmission | 1.7  |
| Total        | 55.9 |

Budget verses Actual



Board of Directors

|                           |                  |
|---------------------------|------------------|
| Nicolas P. Tatton - Chair | Allen R. Johnson |
| Eric D. Larsen            | Joel Eves        |
| Bruce B. Rigby            | Jason Norlan     |
| Mark D. Montgomery        |                  |

Management

|  |
|--|
| Cameron R. Cowan - General Manager           |
| Blaine J. Haacke - Assistant General Manager |
| Linford E. Jensen - Accounting Manager       |
| Vance K. Huntley - Treasury Manager          |
| Cody R. Combe - Audit Manager                |

**DRAFT**

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Intermountain Power Agency  
Operating and Reserves Investment Report  
January 31, 2025

| Operating and Reserves                     |                |
|--|----------------|
| <b>Portfolio Valuation</b>                 |                |
| Book Value                                 | 144,651,376    |
| Market Value                               | 144,307,651    |
| <b>Portfolio Performance</b>               |                |
| <i>Total Rate of Return</i>                |                |
| Fiscal Year-to-Date                        | 4.358%         |
| <i>Yield to Maturity/Call</i>              |                |
|  | 4.208%         |
| <b>Portfolio Structure and Composition</b> |                |
| <i>Investments by Market</i>               |                |
| US Treasuries/Agencies                     | 13.51%         |
| Corporate Notes                            | 45.43%         |
| Commercial Paper                           | 0.00%          |
| Overnight/Cash                             | 41.06%         |
|  | <u>100.00%</u> |
| <i>Investments by Maturity</i>             |                |
| < 3 Months                                 | 43.21%         |
| 3 - 6 Months                               | 1.85%          |
| 6 Months - 1 Year                          | 36.24%         |
| 1 Year - 3 Years                           | 18.70%         |
| 3 Years - 5 Years                          | 0.00%          |
| > 5 Years                                  | 0.00%          |
|  | <u>100.00%</u> |

Portfolio Weighted Average Life (in days)

227

Intermountain Power Agency  
Construction Fund Investment Report  
January 31, 2025

| Hydrogen                            |  |                    |            |                      |             |             |            |                           |            |                  |             |     |  |           |  |       |  |
|-------------------------------------|--|--------------------|------------|----------------------|-------------|-------------|------------|---------------------------|------------|------------------|-------------|-----|--|-----------|--|-------|--|
| Tax-Exempt Const Fund               |  | Taxable Const Fund |            | Debt Service Reserve |             | Decom Fund  |            | Hydrogen Constuction Fund |            | Hydrogen Reserve |             | STS |  | STS Decom |  | Total |  |
| Portfolio Valuation                 |  |                    |            |                      |             |             |            |                           |            |                  |             |     |  |           |  |       |  |
| Book Value                          |  | 318,041,720        | 75,192,430 | 55,763,392           | 154,398,953 | 176,000,064 | 53,655,970 | 63,995,847                | 52,263,862 | 27,641,856       | 976,954,093 |     |  |           |  |       |  |
| Market Value                        |  | 318,002,131        | 75,244,264 | 55,650,463           | 151,983,250 | 175,718,599 | 53,680,648 | 63,990,989                | 52,263,862 | 27,567,050       | 974,101,256 |     |  |           |  |       |  |
| Portfolio Performance               |  |                    |            |                      |             |             |            |                           |            |                  |             |     |  |           |  |       |  |
| Total Rate of Return                |  |                    |            |                      |             |             |            |                           |            |                  |             |     |  |           |  |       |  |
| Fiscal Year-to-Date                 |  | 4.976%             | 4.870%     | 4.500%               | 4.235%      | 4.363%      | 4.493%     | 4.931%                    | 4.879%     | 5.262%           | 4.676%      |     |  |           |  |       |  |
| Yield to Maturity/Call              |  | 4.444%             | 4.477%     | 4.416%               | 4.022%      | 4.363%      | 4.575%     | 4.885%                    | 4.330%     | 5.255%           | 4.419%      |     |  |           |  |       |  |
| Portfolio Structure and Composition |  |                    |            |                      |             |             |            |                           |            |                  |             |     |  |           |  |       |  |
| Investments by Market               |  |                    |            |                      |             |             |            |                           |            |                  |             |     |  |           |  |       |  |
| US Treasuries/Agencies              |  | 63.20%             | 41.88%     | 82.18%               | 76.19%      | 28.70%      | 9.32%      | 49.10%                    | 0.00%      | 0.00%            | 49.43%      |     |  |           |  |       |  |
| Corporate Notes                     |  | 28.24%             | 43.57%     | 17.74%               | 23.79%      | 69.87%      | 72.40%     | 50.90%                    | 0.00%      | 99.91%           | 40.04%      |     |  |           |  |       |  |
| Commercial Paper                    |  | 0.00%              | 0.00%      | 0.00%                | 0.00%       | 1.40%       | 0.00%      | 0.00%                     | 0.00%      | 0.00%            | 0.25%       |     |  |           |  |       |  |
| Overnight/Cash                      |  | 8.56%              | 14.55%     | 0.08%                | 0.02%       | 0.03%       | 18.28%     | 0.00%                     | 100.00%    | 0.09%            | 10.28%      |     |  |           |  |       |  |
|                                     |  | 100.00%            | 100.00%    | 100.00%              | 100.00%     | 100.00%     | 100.00%    | 100.00%                   | 100.00%    | 100.00%          | 100.00%     |     |  |           |  |       |  |
| Investments by Maturity             |  |                    |            |                      |             |             |            |                           |            |                  |             |     |  |           |  |       |  |
| < 3 Months                          |  | 44.77%             | 29.19%     | 0.08%                | 0.02%       | 17.65%      | 70.13%     | 34.07%                    | 100.00%    | 0.09%            | 31.48%      |     |  |           |  |       |  |
| 3 - 6 Months                        |  | 45.70%             | 42.14%     | 85.76%               | 3.52%       | 38.86%      | 25.24%     | 30.29%                    | 0.00%      | 0.00%            | 33.93%      |     |  |           |  |       |  |
| 6 Months - 1 Year                   |  | 9.53%              | 28.67%     | 14.16%               | 3.67%       | 26.63%      | 4.63%      | 34.11%                    | 0.00%      | 0.00%            | 13.94%      |     |  |           |  |       |  |
| 1 Year - 3 Years                    |  | 0.00%              | 0.00%      | 0.00%                | 75.20%      | 16.86%      | 0.00%      | 1.54%                     | 0.00%      | 99.91%           | 17.86%      |     |  |           |  |       |  |
| 3 Years - 5 Years                   |  | 0.00%              | 0.00%      | 0.00%                | 11.80%      | 0.00%       | 0.00%      | 0.00%                     | 0.00%      | 0.00%            | 1.87%       |     |  |           |  |       |  |
| > 5 Years                           |  | 0.00%              | 0.00%      | 0.00%                | 5.78%       | 0.00%       | 0.00%      | 0.00%                     | 0.00%      | 0.00%            | 0.92%       |     |  |           |  |       |  |
|                                     |  | 100.00%            | 100.00%    | 100.00%              | 100.00%     | 100.00%     | 100.00%    | 100.00%                   | 100.00%    | 100.00%          | 100.00%     |     |  |           |  |       |  |

# 2025 US Electric Power Issues

Saif Mogri

IPA Board Meeting

March 4, 2025



# TOPICS of Discussion

- Electricity Price Increase
- Rising Demand and Reliability
- Challenging Supply Demand Dynamics
- Future of Renewables
- Future of Nuclear Energy
- Major Transmission Policies

# Electricity Price Increase

- US Consumer Prices Will Continue to Increase
  - Average 13.2 cents/kWh (About 4-5% Increase)
- Rising Demand
- Transmission and Distribution Cost Increases
- Anticipated Rise in Price of Natural Gas

# Rising Demand and Reliability

- Data Centers and Electrification Driving Demand
  - 44% Increase Over 5 Years
- Generator Retirements and Resource Base
- NERC 2024 Assessment
  - Electric Grid Could See Shortfalls in 5-10 Years
  - Peak Summer Demand 122 GW Increase in 10 Years
- NERC Extreme Weather Reliability Standards

# Challenging Supply Demand Dynamics

- Power Supply to Meet Growing Demand
- Capacity Markets
- Day Ahead Markets
- Interconnection Queue Dynamics
- Equipment Supply Issues

# Future of Renewables

- Connecting to the Grid is a Challenge
- Stymied by Interconnection or Siting
- Possible Tariffs
- Replacing Baseload Generation
- Supply Chain Constraints
- Battery Storage

# Future of Nuclear Energy

- Nuclear Energy Gaining Momentum
- US Nuclear Regulatory Commission will be Instrumental
- Development of Small Modular Reactors

# Major Transmission Policies

- Siting and Permitting Issues
- Transmissions Key Role
- Transmission Reliability Assessment

