

RESOLUTION

RCCC-2022-007

ADOPTION OF TRANSITIONAL COST ALLOCATION POLICY

On motion of Paul Schultz, seconded by Mandip Samra, at a meeting of the Intermountain Power Project ("IPP") Renewal Contract Coordinating Committee (the "Renewal Committee") held August 2, 2022, the following Resolution was duly adopted:

WHEREAS, Intermountain Power Agency ("IPA") is a party with the Purchasers (as defined in such Power Sales Contracts) to those certain Power Sales Contracts, dated as of September 28, 1978 for the Utah Purchasers (as defined in such Power Sales Contracts) and August 6, 1980 for the California Purchasers (as defined in such Power Sales Contracts) (such Power Sales Contracts, as amended, including, without limitation, by the Second Amendatory Power Sales Contracts dated December 8, 2015, being, collectively, the "Power Sales Contracts"); and

WHEREAS, IPA is also a party to those certain Renewal Power Sales Contracts, dated as of January 16, 2017 (as amended and updated, the "Renewal Power Sales Contracts") with those Purchasers that (i) accepted the Renewal Offer (as defined in the Power Sales Contracts) and (ii) did not subsequently terminate their Renewal Power Sales Contract pursuant to Section 42.1 of the Renewal Power Sales Contracts (the "Renewal Purchasers"); and

WHEREAS, the Power Sales Contracts are set to expire on June 15, 2027, and the Operational Period of the Renewal Power Sales Contracts will commence the next day, June 16, 2027 (the "Transition Date"); and

WHEREAS, most of the Purchasers under the Power Sales Contracts will remain participants in IPP as Renewal Purchasers under the Renewal Power Sales Contracts, but a handful of the Purchasers are not Renewal Purchasers, and will therefore not be participants in IPP as of the Transition Date (the "Exiting Purchasers"); and

WHEREAS, prior to the Transition Date, IPA has made and may need to make more expenditures on construction, equipment, property, and other assets that have a useful life that extends beyond the Transition Date; and

WHEREAS, the Operating Agent facilitated a discussion between representatives of certain Renewal Purchasers and Exiting Purchasers, where it was generally agreed that a policy should be developed for the equitable allocation of expenditures made prior to the Transition Date that provide a benefit to IPP beyond the Transition Date; and

WHEREAS, the Operating Agent has developed a policy, attached to Resolution No. CC-2022-023 (the "CC Resolution") adopted by the IPP Coordinating Committee (the "Committee"), as Exhibit A (the "Transitional Cost Allocation Policy"), that is intended to equitably allocate expenditures that provide a benefit to IPP beyond the Transition Date; and

WHEREAS, the Operating Agent provided a briefing on a conference call on July 26, 2022, and at meetings of the Committee and the Renewal Committee on August 2, 2022 (collectively, the "Operating Agent Briefing"), during which the Operating Agent described and explained the

August 2, 2022

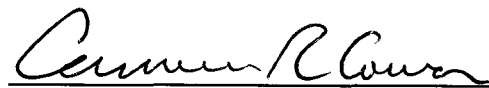
basis of the Operating Agent's recommendations, advice and determinations as set forth herein;
and

WHEREAS, the Renewal Committee has reviewed and considered the Operating Agent Recommendation Letter and the Operating Agent Briefing, including the recommendations, advice and determinations of the Operating Agent.

NOW, THEREFORE, BE IT RESOLVED, that the Renewal Committee hereby adopts, and recommends that the IPA Board adopt, the Transitional Cost Allocation Policy in the form attached to the CC Resolution, as Exhibit A; and

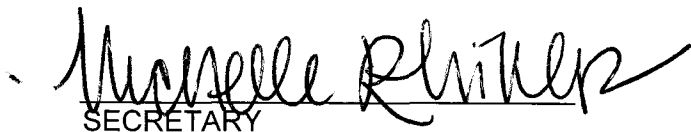
BE IT FURTHER RESOLVED, that the Chairman is hereby authorized and directed by the Renewal Committee to execute this Resolution and to do all things necessary to render the same in full force and effect.

INTERMOUNTAIN POWER PROJECT



CHAIRMAN, RENEWAL CONTRACT
COORDINATING COMMITTEE

ATTEST:


SECRETARY