

**INTERMOUNTAIN POWER AGENCY
BOARD OF DIRECTORS MEETING
SEPTEMBER 18, 2023**

MINUTES

A meeting of the Intermountain Power Agency (IPA) Board of Directors was held on September 18, 2023, at the Intermountain Power Agency Offices, located at 10653 S. River Front Parkway, Suite 120, South Jordan, Utah, as well as via Zoom virtual meeting. The following participated:

BOARD MEMBERS PRESENT

Nick Tatton – Vice Chair
Eric Larsen – Secretary
Allen Johnson - Treasurer - Virtual
Mark Montgomery
Joel Eyes
Bruce Rigby

BOARD MEMBERS NOT PRESENT

None

OTHERS IN ATTENDANCE

Cameron Cowan	IPA
Blaine Haacke	IPA
Vance Huntley	IPA
Michelle Miller	IPA
Marlene Conrad	IPA – Virtual
Saif Mogri	IPA Consultant - Virtual
Eric Bawden	Holland & Hart
Mark Buchi	Holland & Hart – Virtual
Jason Norlan	Heber
Jon Finlinson	IPSC
Lori Morrish	LADWP – Virtual
Greg Huynh	LADWP – Virtual
Jentrie Willey	OLAG - Virtual
Rob Hughes	Parsons, Behle & Latimer
Isaac Jones	Enterprise - Virtual

INTRODUCTIONS AND ANNOUNCEMENTS

Page 2 of 9

The meeting commenced at 1:00 p.m. conducted by Vice Chair, Nick Tatton. Mr. Tatton welcomed everyone to the meeting and declared a quorum was present to conduct business.

IPA BOARD VICE CHAIR ITEMS

Mr. Tatton said he does not have anything additional to report other than what is listed on the agenda.

BOARD COMMITTEE REPORTS

Mr. Tatton said there will be an upcoming Audit Committee meeting as well as a Compensation Committee meeting before the end of the year.

Mr. Larsen said the Compensation Committee will be starting some investigations in the next few weeks, followed by a couple of meetings before year end.

Mr. Larsen said the Project Entity Oversight Committee (PEOC) will meet on September 27, 2023, at 9:00 a.m. via Zoom. Mr. Cowan asked Mr. Larsen to request that the IPA General Manager and Assistant General Manager be made aware of upcoming meetings. Mr. Larsen said this meeting is being held in preparation before the report is submitted to the Legislature. Mr. Tatton asked Mr. Larsen to share the Zoom link with the Board and IPA staff to be able to attend.

Mr. Tatton said nothing is scheduled with the Governance Committee but hopes to have a meeting in the future once the audits are completed.

CONSIDERATION AND APPROVAL OF THE JULY 17, 2023, AND AUGUST 8, 2023, BOARD OF DIRECTORS MEETING MINUTES

Mr. Tatton asked for a motion to approve the July 17, 2023, and August 8, 2023, Board of Directors meeting minutes.

Mr. Rigby made a motion to approve the July 17, 2023, and August 8, 2023, Board of Directors meeting minutes. 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.

OPERATING AGENT AND PROJECT MANAGER REPORT AND Q&A

Mr. Tatton asked Ms. Morrish, Project Manager, to give the IPP Renewal Project Update.

Page 3 of 9

Ms. Morrish reported the following related to the IPP Renewal Project: the Mitsubishi Power Train is 81% complete; the TIC Installation and Balance of Plant is 25% complete; the Adelanto Switchyard Expansion is 20% complete; the Intermountain Switchyard Expansion is 84% complete; the Synchronous Condensers are 55% complete with engineering and procurement; and the Converter Stations are 10% complete with engineering and procurement.

Ms. Morrish updated the Board members via aerial photos, through September 17, 2023, of all areas of the Project including Generation Construction Project, the Intermountain Switchyard, the Synchronous Condensers, and the Adelanto Switchyard.

Ms. Morrish asked the Board for questions. There were none.

Mr. Tatton thanked Ms. Morrish for her report.

Report attached below.

Mr. Tatton asked Mr. Huynh, Operating Agent, to give the Operating Agent Report.

Mr. Huynh said he did not have an additional report to present and asked the Board for questions. There were none.

IPA MANAGEMENT REPORTS

GENERAL MANAGER REPORT

Mr. Cowan excused Mr. Linford Jensen and Mr. Cody Combe from the Board meeting due to both working on the IPA Annual Audit with Deloitte.

Mr. Cowan announced to the Board the passing of Mr. Ron Rencher, from Parsons Behle & Latimer. Flowers will be delivered from IPA to the family. Services are scheduled at the Utah State Capitol on Friday, September 29, 2023.

Mr. Cowan reviewed with the Board the IPA Scholarship and Endowment Balances document. He said IPA will continue to support these Endowments. Mr. Cowan also explained to Mr. Eves that there is amount budgeted for Utah Valley University (UVU) and IPA will be contacting UVU to discuss establishing a scholarship endowment there as well.

Mr. Cowan gave the Board an update on the audit performed by the Office of Legislative Auditor General. The first draft report is protected and was released on a limited basis to himself, Mr. Tatton, Mr. Combe and Mr. Bawden. Mr. Haacke was not provided a copy. The auditors did allow Mr. Steve Young to get a copy of the section related to taxes. IPA

Page 4 of 9

and Holland & Hart have been meeting and reviewing the draft to be able to provide notes and comments to the Legislative Auditors about the draft document. There will be a second draft report for IPA to review and comment on as well. The final audit report will be presented to the Legislative Audit Committee on October 10, 2023. IPA will be able to formally respond to the final audit report.

Mr. Tatton asked Ms. Willey if there was anything additional to say. Ms. Willey said no other than she will check on getting Mr. Haacke a copy as well.

Mr. Cowan said the Jackson Walker Report, the preliminary draft report for the HB 425 study, is being discussed this morning, September 18, 2023, in the Public Utilities, Energy & Technology (PUTE) interim committee. The preliminary report was published yesterday and made public. A copy of the draft report has been sent to all Board members and is under review and analysis with IPA staff and Holland & Hart. Once the review and analysis are complete, it will be re-sent to all Board members. The final report will be issued in the November 2023 timeframe.

Mr. Cowan asked the Board for questions. There was none.

Mr. Tatton thanked Mr. Cowan for his report.

ASSISTANT GENERAL MANAGER REPORT

Mr. Haacke said two months ago he was hired as the IPA Assistant General Manager as well as the IPP Renewal Project Sponsor working with Mr. Greg Huynh, Ms. Lori Morrish and Mr. Kevin Peng from LADWP, but particularly with Mr. Peng.

Mr. Haacke said as the Assistant General Manager, he has been supporting the IPA General Manager, Mr. Cowan, and working with him on staffing and employee issues, the audit, and visiting legislators. On the IPP Renewal Project Sponsor side, Mr. Haacke said he works closely with Mr. Peng on Project Development as well as attends the monthly contractor meetings at IPSC which meets with the Project vendors, vendor management and employees, and the IPSC employees. At each meeting a safety item is highlighted and discussed at length. There is also a quarterly Safety Meeting for all that work on the IPP Renewal Project. The Renewal Team takes safety very seriously.

Mr. Haacke said together with Mr. Peng, they created a list of sub-projects inside the main Project such as the generator, the switchyard, the synchronous condensers, the engineering and procurement, the converter station, the decommissioning, the fuel pipeline and procurement, etc.

Recently LADWP and IPP were asked to give a presentation at the Energy Transition Summit in Augusta, Georgia and Aiken, South Carolina. Mr. Haacke and Mr. Cowan

attended the Summit. There was a project presentation, discussion and then answered questions on a panel. The IPP Renewed Project was the only Project west of the Mississippi River presenting at this conference. This presentation was a follow up presentation to the presentation that was given at last year's Summit. There were many questions asked including water issues, power sources, ammonia, caverns, and how California politics are affecting Utah. Mr. Haacke felt there was a lot of good discussion and feedback. Also discussed were SMR's (Small Modular Reactors) and the SMR facility in Kemmer, Wyoming.

Mr. Haacke said there was also a tour of the Plant Vogtle, Nuclear Power Plant site in Waynesboro, Georgia. Both Mr. Haacke and Mr. Cowan commented on the lack of security on the facility site, but the reactor units have very strong security. This is very different than the IPSC facility in Delta, Utah, where the security is tight on the whole Property.

Mr. Haacke said he wanted the Board to know how impressed he is with the LADWP Staff, the IPA Staff, and the IPSC Staff. All individuals are very dedicated to their positions. Mr. Cowan echoed Mr. Haacke's thoughts on the Staff.

Mr. Haacke asked the Board for questions. There were none.

Mr. Tatton thanked Mr. Haacke for his report.

ACCOUNTING MANAGER REPORT

Mr. Tatton said Mr. Jensen was excused from the meeting due to the IPA Annual Audit with Deloitte.

TREASURY MANAGER REPORT

Mr. Huntley directed the Board to the Investment Report as of August 31, 2023. The total book value of the portfolio was \$132 million. The portfolio performance fiscal year to date is 4.318%. The portfolio structure includes 22% Corporate Notes, 26% US Treasury/Agency, 19% Commercial Paper, and 33% Money Market/Cash. 61% of the investment portfolio matures in less than three months, with 8% in three to six months, 7% in six months to one year, 19% in one to three years, and 5% in three to five years. The weighted average life of the portfolio is 221 days.

Mr. Huntley reviewed the Investment Portfolio - Investments by Fund as of August 31, 2023, including the Revenue Fund and Self Insurance Fund.

Mr. Huntley directed the Board to the Construction Fund Investment Report as of August 31, 2023. The total book value of the portfolio was \$1.4 billion. The portfolio

performance fiscal year to date is 4.948%. The portfolio structure includes 85% US Treasury/Agency, 8% Corporate Notes, 1% Commercial Paper, and 6% Money Market/Cash. 35% of the investment portfolio matures in less than three months, with 25% in three to six months, 16% in six months to one year, 22% in one to three years, 1% in three to five years, and 1% in beyond five years. The weighted average life of the portfolio is 290 days.

Mr. Huntley reviewed the Investment Portfolio – Construction Fund Investments by Fund as of August 31, 2023, including the Tax- Exempt Construction Fund; Taxable Construction Fund; Debt Service Fund; Debt Service Reserve Fund; Decommissioning Fund; Hydrogen Fund; Hydrogen Reserve Fund; and the STS Construction Fund.

Mr. Huntley updated the Board on the closing of the Bonds in August 2023. Mr. Huntley said the current funds will last until March & April in 2025. The third tranche of financing will take place in the end of 2024 or beginning of 2025.

Mr. Huntley reported that year to date IPA has spent \$571 million dollars on the Project. IPA has \$50 million dollars in cash to be able to meet the payment schedules.

Mr. Eves asked Mr. Huntley what IPA's rating currently is. Mr. Huntley said it is currently AA.

Mr. Huntley said the Federal Reserve met and did not raise the rates but might when they meet in November 2023.

Mr. Huntley asked the Board for questions. There were none.

Mr. Tatton thanked Mr. Huntley for his report.

Report attached below.

AUDIT MANAGER REPORT

Mr. Tatton said Mr. Combe was excused from the meeting due to the IPA Annual Audit with Deloitte.

INTERMOUNTAIN POWER SERVICE CORPORATION (IPSC) ENVIRONMENTAL REPORT

Mr. Tatton asked Mr. Finlinson to give the IPSC Environmental Report update as of September 18, 2023.

Page 7 of 9

Mr. Finlinson reported the following related to Reports and Testing: The annual MATS 30-day mercury testing is continuing with 3-day runs. The seventh set of 3-day mercury tests were analyzed on September 15, 2023. The results were Unit 1: 8.3lbs/yr. and Unit 2: 3.7lbs/yr., and Unit 1:7-Run Average is 20.0 and Unit 2: 7-Run Average is 17.2.

The Annual particulate testing was completed on September 13-14, 2023. Mr. Robert Serrine from the Utah Division of Air Quality was onsite to observe the testing.

The next semi-annual groundwater sampling event is scheduled to begin on September 18, 2023.

Mr. Finlinson said the MATS HCI/PM testing is planned for the week of February 5, 2023. Because IPP qualified as a Low Emitting Electric Utility Steam Generation Unit, this testing is only required once every three years. The test requires two days at full load per unit for a total of four days of testing.

Mr. Finlinson reported the following related to the Title V Permit Renewal: IPSC's Title V Permit Renewal went out for public comment last Wednesday, September 6, 2023. The draft permit is listed on the State's website and appeared in the Millard County Chronical Progress last week. The public comment period runs until September 22, 2023. As of Monday, the State has not received any comments.

Mr. Finlinson reported the following related to the New Evaporation Ponds: HGI has been onsite and completed the resistivity testing at the evaporation ponds. Mr. Woody Campbell from the Division of Water Quality came onsite on Friday, September 15, 2023, to observe the testing and inspect the project.

Mr. Finlinson said the Sevier Bridge Reservoir is about 13% full (30,174 acre-feet). Last week, the website showed the reservoir 13% full (30,003). There is about 68 cfs coming into Sevier Bridge Reservoir and 32 cfs being released.

Mr. Finlinson reported that Cascade and Stantec drilling are onsite at IPSC adding new monitoring wells.

Mr. Finlinson said the dam construction project is going well.

Mr. Finlinson said there is a water meeting in Richfield today, September 18, 2023. It is the Watershed council meeting with the Sevier River water users.

Mr. Tatton thanked Mr. Finlinson for his report.

Report attached below.

POTENTIAL CONSIDERATION OF CLOSED MEETING

Mr. Tatton said there is not a need for a Closed Meeting today.

Mr. Larsen made a motion to strike the Closed Meeting from the agenda. 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.

POTENTIAL DISCUSSION OF BOARD VACANCY AND POTENTIAL ELECTION TO FILL BOARD VACANCY ON INTERIM BASIS

Mr. Tatton said the interim Board member position will serve until December 31, 2023. Mr. Tatton asked the Board for any further comments or discussion. There were none.

Mr. Rigby made a motion to appoint Mr. Jason Norlen from Heber City as the interim Board member to serve until December 31, 2023. Mr. Eves seconded the motion. A vote by all Board members participating in the meeting was taken and the vote was unanimous in the affirmative.

Mr. Norlan informed the Board of his employment history with Heber Light and Power and is excited to join the Board.

POTENTIAL DISCUSSION OF AND POTENTIAL APPROVAL OF SETTLEMENT OF LITIGATION

Mr. Larsen made a motion to strike the potential discussion of and potential approval of settlement of litigation from the agenda and defer it to a later date. 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.

ADJOURN

Mr. Cowan informed the Board that he and Mr. Ward will be reaching out to the 23 Utah Participant City Councils to come and make a presentation and answer questions. The presentations made last year to the councils seemed to be effective in educating the Participant Cities.

Mr. Tatton thanked everyone for their comments and asked for a motion to adjourn.

Mr. Montgomery made a motion to adjourn. Mr. Larsen seconded the motion. A vote by all Board members participating in the meeting was taken

IPA Board of Directors
Meeting Minutes
September 18, 2023

Page 9 of 9

and the vote was unanimous in the affirmative. The meeting was adjourned at 2:18 p.m.

TIME AND PLACE OF NEXT MEETING

Monday, October 23, 2023, 1:00 p.m., at Intermountain Power Agency located on 10653 S. River Front Parkway, Suite 120, South Jordan, UT.

Minutes taken by Michelle Miller.