

RESOLUTION

RCCC-2024-002

APPROVAL OF INCREASE IN EXPENDITURE AUTHORITY UNDER LOAD-TIE LINE REIMBURSEMENT AGREEMENT

On motion of Kevin Robison, seconded by Simon Zewdu, at a meeting of the Intermountain Power Project ("IPP") Renewal Contract Coordinating Committee (the "Renewal Committee") held on August 6, 2024, 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, revised and updated, 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; and

WHEREAS, pursuant to Resolution Nos. CC-2023-011, RCCC-2023-003, and IPA-2023-011 (the "Load-Tie Line Reimbursement Resolutions"), the Project Manager (as defined in the Power Sales Contracts) executed on behalf of IPA that certain Transmission Line Construction and Reimbursement Agreement, effective on or about August 4, 2023 (the "Load-Tie Line Reimbursement Agreement") between IPA and Advanced Clean Energy Storage I, LLC ("ACES"); and

WHEREAS, the Load-Tie Line Reimbursement Agreement provides for ACES to cause its construction contractor to construct a 345kV distribution line to deliver renewable energy from the IPA AC switchyard approximately one mile south to a switchyard to be constructed at the ACES facility (the "Load-Tie Line"); and

WHEREAS, because the Load-Tie Line will be owned by IPA, the Load-Tie Line Reimbursement Agreement further provides for IPA to pay the costs of constructing the Load-Tie Line; and

WHEREAS, the Load-Tie Line Reimbursement Resolutions authorized the Project Manager to execute the Load-Tie Line Reimbursement Agreement with a total expenditure authority of \$9,000,000, plus applicable taxes; and

WHEREAS, due to actual design, material and construction costs from the highest

evaluated qualified proposal being higher than estimated, the Project Manager has requested and recommended that the IPP Coordinating Committee and the Renewal Committee approve, and recommend that the IPA Board of Directors (the "IPA Board") approve, an additional \$1,000,000 in the Project Manager's expenditure authority under the Load-Tie Line Reimbursement Agreement, increasing the Project Manager's total expenditure authority under such agreement to \$10,000,000, plus applicable taxes; and

WHEREAS, the Project Manager has requested and recommended that the IPA Board approve such increase in the Project Manager's expenditure authority under the Load-Tie Line Reimbursement Agreement; and

WHEREAS, the Project Manager has further recommended that all costs associated with the Load-Tie Line Reimbursement Agreement be funded from the Hydrogen Betterment Fund created pursuant to Resolution Nos. CC-2020-011, RCCC-2020-001, and IPA-2020-010, as the provisions governing the Hydrogen Betterment Fund have been modified from time to time by resolutions of the IPP Coordinating Committee, Renewal Committee, and IPA Board; and

WHEREAS, the Renewal Committee has received a letter dated July 24, 2024 from Mr. Kevin T. Peng on behalf of the Project Manager (the "Project Manager Recommendation Letter") recommending that the Renewal Committee approve, and recommend that the IPA Board approve, an additional \$1,000,000 in the Project Manager's expenditure authority under the Load-Tie Line Reimbursement Agreement, increasing the Project Manager's total expenditure authority under such agreement to \$10,000,000, plus applicable taxes, with all such costs to be funded from the Hydrogen Betterment Fund; and

WHEREAS, the Project Manager provided a briefing at a virtual conference on July 29, 2024, and at a meeting of the Renewal Committee on August 6, 2024 (collectively, the "Project Manager Briefing"), during which the Project Manager described and explained the basis of the Project Manager's recommendations, advice and determinations as set forth herein; and

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

NOW, THEREFORE, BE IT RESOLVED, that the Renewal Committee hereby approves, and recommends that the IPA Board approve, an additional \$1,000,000 in the Project Manager's expenditure authority under the Load-Tie Line Reimbursement Agreement, increasing the total expenditure authority under such agreement to \$10,000,000, plus applicable taxes, with all costs associated with the Load-Tie Line Reimbursement Agreement to be funded from the Hydrogen Betterment Fund as described above and in the Project Manager Recommendation Letter; and

Resolution No. RCCC-2024-002

August 6, 2024

Page 3

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