

RESOLUTION

RCCC-2024-008

AUTHORIZATION TO EXECUTE A SECOND AMENDMENT TO GROUNDWATER LEASE AGREEMENT NO. 665A (ACES)

On motion of Scott Mellon, seconded by Eric Larsen, at a meeting of the Intermountain Power Project ("IPP") Renewal Contract Coordinating Committee (the "Renewal Committee") held on November 5, 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, IPA is a party with ACES Delta Holdings, LLC (formerly Magnum Holdings, LLC) ("ACES Delta Holdings") to that certain Groundwater Lease Agreement, IPA Agreement No. 665A, dated August 15, 2016, as amended (the "ACES Groundwater Lease") and that certain Diversion Works Agreement, IPA Agreement No. 665B and dated as of August 15, 2016 (the "Diversion Agreement"), (the ACES Groundwater Lease and Diversion Agreement, as amended, revised, extended, and updated, collectively, the "ACES Lease Agreements"); and

WHEREAS, ACES Delta Holdings has requested that the Initial Term (as defined in the Lease Agreement) of the Lease Agreement be extended to August 31, 2029; and

WHEREAS, the Operating Agent and ACES Delta Holdings have negotiated a Second Amendment to Groundwater Lease Agreement (the "Second Amendment") to extend the Initial Term of the ACES Lease Agreements to August 31, 2029; and

WHEREAS, the Operating Agent has determined that the terms of the Second Amendment are commercially reasonable and in accordance with Prudent Utility Practice (as defined in the Power Sales Contracts); and

WHEREAS, the Operating Agent has determined pursuant to Section 804(b) of IPA's Second Amended and Restated Power Supply Revenue Bond Resolution adopted on November 2, 2021, as supplemented, amended, and restated (the "Second Amended and Restated Bond

Resolution”), that the following conditions are satisfied (being, collectively, the “Section 804(b) Conditions”): the disposition contemplated by this Resolution and the Second Amendment is desirable in the conduct of the business of IPA relating to the Project (as defined in the Second Amended and Restated Bond Resolution) and does not materially impair the ability of IPA to comply with Section 808 of the Second Amended and Restated Bond Resolution; and

WHEREAS, the Renewal Committee has received a letter dated October 22, 2024 from Mr. Kevin T. Peng on behalf of the Operating Agent (the “Operating Agent Recommendation Letter”), recommending that: (i) the Renewal Committee determine, and recommend that the IPA Board of Directors (“IPA Board”) determine, that the Section 804(b) Conditions are satisfied with respect to the Second Amendment, and (ii) the Renewal Committee approve, and recommend that the IPA Board approve, the Second Amendment and the delegation of authority to the Operating Agent to execute and deliver the Second Amendment on behalf of IPA; and

WHEREAS, the Operating Agent provided a briefing on a virtual conference of the Renewal Committee on October 29, 2024, and at a meeting of the Renewal Committee on November 5, 2024 (collectively, the “Operating Agent Briefing”), during which the Operating Agent described, and explained the basis of, the Operating Agent’s recommendations, advice and determinations described in the Operating Agent Recommendation Letter; 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 determines, and recommends that the IPA Board determine, that the Section 804(b) Conditions are satisfied with respect to the Second Amendment; and

BE IT FURTHER RESOLVED, that the Renewal Committee hereby approves, and recommends that the IPA Board approve, the Second Amendment and the delegation of authority to the Operating Agent to execute and deliver the Second Amendment on behalf of IPA; 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.