

HEBER LIGHT & POWER COMPANY
BOARD RESOLUTION No. 2019-07

A RESOLUTION AUTHORIZING AND APPROVING AN INCREASE IN THE PARTICIPANT'S ENTITLEMENT SHARE UNDER THE CARBON FREE POWER PROJECT POWER SALES CONTRACT FOR THE LAY-OFF POWER SALES AGREEMENT ASSOCIATED WITH JOINT USE MODULE PLANT OPERATIONS AT THE CARBON FREE POWER PROJECT; AND RELATED MATTERS.

WHEREAS, Heber Light & Power Company (the "*Participant*") is a member of Utah Associated Municipal Power Systems ("*UAMPS*") pursuant to the provisions of the Utah Associated Municipal Power Systems Amended and Restated Agreement for Joint and Cooperative Action, as amended (the "*Joint Action Agreement*");

WHEREAS, the Participant has previously approved, executed and delivered the Carbon Free Power Sales Contract dated as of April 1, 2018 (the "*Power Sales Contract*") with UAMPS, including an Entitlement Share of 10,000 kW of the capacity of the Project (initially capitalized terms used and not defined herein have the meanings assigned to them in the Power Sales Contract);

WHEREAS, UAMPS, the U.S. Department of Energy and Batelle Energy Alliance, as DOE's prime contractor at the Idaho National Laboratory (together, "*DOE*") entered into a Memorandum of Understanding in December 2018 (the "*MOU*"), under which one of the small modular reactors at the Project ("*JUMP SMR*") will be utilized by DOE for research and development purposes under its "*JUMP*" program;

WHEREAS, the MOU calls for definitive agreements for the JUMP SMR be negotiated by October 2019 (collectively, these agreements are referred to herein as the "*JUMP Lay-Off Power Sales Agreement*");

WHEREAS, UAMPS and the Project Management Committee believe that the JUMP Lay- Off Power Sales Agreement will provide substantial benefits to the Participants and the Project as a whole, including accelerating the development of the Project, achieving cost savings and other benefits;

WHEREAS, certain Participants in the CFPP desire to facilitate this transaction by electing to increase their Entitlement Shares in a total amount sufficient to enable UAMPS to make the JUMP SMR available to DOE and thus enabling UAMPS to enter into the JUMP Lay-Off Power Sales Agreement with DOE; and

WHEREAS, the Participant now desires to increase its Entitlement Share in the amount set forth below to facilitate the JUMP Lay-Off Power Sales Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF HEBER LIGHT & POWER COMPANY AS FOLLOWS:

Section 1. Increase of Participant Entitlement Share for JUMP Lay-Off Power Sales Agreement.

(a) The Participant hereby authorizes and approves increasing its Entitlement Share in the CFPP by and up to 7,000 kW of capacity.

(b) Upon the completion of negotiations with DOE, UAMPS shall submit the JUMP Lay- Off Power Sales Agreement to the Project Management Committee for approval as provided in the Power Sales Contracts. Upon the approval or disapproval of the JUMP Lay-Off Power Sales Agreement by the Project Management Committee, UAMPS shall send written notice to each of the Participants that has elected to increase its Entitlement Share of the action taken by the Project Management Committee and, if the Project Management Committee has approved the JUMP Lay- Off Power Sales Agreement, a copy of the JUMP Lay-Off Power Sales Agreement.

(c) If the JUMP Lay-Off Power Sales Agreement is approved by the Project Management Committee but is not executed by UAMPS for any reason, UAMPS shall give additional written notice of such fact to such Participants.

(d) Upon its receipt of the written notice from UAMPS described in (b) above, the Participant shall, in its sole discretion, have the right to rescind its election to increase its Entitlement Share as provided in 1(a) above or to modify the increase in its Entitlement Share as provided in 1(a) above upon its determination that the final terms of the JUMP Lay-Off Power Sales Agreement are unacceptable. Upon its receipt of the written notice from UAMPS described in (c) above, the Participant shall, in its sole discretion, have an additional right to rescind its election to increase its Entitlement Share as provided in 1(a) above or to modify the increase in its Entitlement Share as provided in 1(a) above. The Participant shall exercise these rights upon the approval of its Governing Body and by written notice to UAMPS which shall be given not later than 30 days after UAMPS gives notice to the Participant under (b) or (c) above.

Section 2. Miscellaneous; Effective Date. (a) Notwithstanding the rights provided to the Participant Section 1(b) of this resolution, this resolution shall be and remain irrevocable until the expiration or termination of the Power Sales Contract in accordance with its terms.

(b) All previous acts and resolutions in conflict with this resolution or any part hereof are hereby repealed to the extent of such conflict.

(c) In case any provision in this resolution shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be

affected or impaired thereby.

(d) This resolution shall take effect immediately upon its adoption and approval.

APPROVED AND ADOPTED this 31st day of July, 2019.

HEBER LIGHT & POWER COMPANY

By: 
Kelleen Potter, Board Chair

ATTEST:


Karly Schindler, Board Secretary