HURRICANE CITY
UTAH

Mayor
Nanette Billings

City Manager
Kaden C. DeMille

Power Board
Mac J. Hall, Chair
Jerry Brisk
Pam Humphries
Dave Imlay
Joseph Prete
Charles Reeve

Power Board Meeting Agenda

9/6/2023

3:00 PM

Power Department Meeting Room – 526 W 600 N

Notice is hereby given that the Power Board will hold a Regular Meeting in the Power Department Meeting room located at 526 W 600 N, Hurricane, UT. A silent roll call will be taken, along with the Pledge of Allegiance and prayer by invitation.

AGENDA

1. Pledge of Allegiance
2. Prayer
3. Approval of minutes from August 2023

STAFF REPORTS

Scott Hughes/Power Director
Brian Anderson/Transmission & Distribution Superintendent
Mike Ramirez/Service Superintendent
Jared Ross/Substation & Generation Superintendent

BUDGET

1. Budget

OLD BUSINESS

1. Capacity Update
2. Update regarding Sky Ranch Area Buyout from Rocky Mountain Power

NEW BUSINESS

1. Discussion and possible recommendation of approval for Steel 1A Solar Project Second Amended and Restated Transaction Schedule
2. Discussion on Cyrq Geothermal Study Project Agreement
3. UAMPS Updates

ADJOURNMENT

The above notice was posted to the Hurricane City website, the Utah State Public Notice Website, and at the following locations:

1. Hurricane City Office – 147 North 870 West, Hurricane, UT
2. US Post Office – 1075 West 100 North, Hurricane, UT
3. Washington County Library (Hurricane Branch) – 36 South 300 West, Hurricane, UT

The Hurricane City Power Board met on August 2, 2023, at 3:00 p.m. at the Clifton Wilson Substation on 526 W 600 N.

In attendance were Mac Hall, Pam Humphries, Charles Reeve, Dave Imlay (by phone), Joseph Prete, Scott Hughes, Brian Anderson, Michael Ramirez, Jared Ross, Gary Cupp, Fred Resch, Nanette Billings, Dayton Hall, Bruce Zimmerman, and Crystal Wright.

Mac Hall welcomed everyone to the meeting; Charles Reeve led the Pledge of Allegiance and Joseph Prete offered the prayer. Pam Humphries motioned to approve minutes from the July 2023 Regular Meeting and July 2023 Special Meeting. Charles Reeve seconded the motion. Motion passed unanimously.

Scott Hughes: Scott Hughes reported on the loss of one employee from the Substation Department who is leaving to return to running his own business. Another employee had an injury while working out at the Three Falls Substation site and is on light duty. He's taking care of the generator run until he's cleared to come back to work with no restrictions. We had an outage from the lightning storm on Circuit 105. A resident was able to provide video showing lightning hitting the pole, which blew the cutout. Pam Humphries asked how the generators have been keeping up with the heat. Scott Hughes replied they've been running very well, minus one issue which will be discussed later in the meeting. Pricing has stayed more stable through the summer compared to last year. Crystal Wright provided an update regarding the current fluctuations with summer prices. There was one more outage caused by a ringtail cat that got into a substation. Pictures showing the damage caused by the arc to the insulators. There will have to be some maintenance done to clean and repair those when we are able. Jared Ross makes the determination as to how serious the damage is and how quickly repairs like this need to be made.

Brian Anderson: Brian Anderson stated the Line Crew helped the Service Crew catch up on some of their projects. They also relocated a pole for the 700 West road project. They have been working on reconfiguring Circuit 101 to move the load to complete the 1150 West project. That whole circuit is now de-energized. Joseph Prete asked what reinsulating is and why it's necessary. Brian explained the existing line carries voltage of 34,500 and is only insulated for that amount of voltage. We are placing larger insulators to increase voltage to 69,000 which will energize the new Three Falls Substation. Nanette Billings provided an update regarding the opening of the 700 West and 100 North round-about in time for school to start on August 15th.

Mike Ramirez: Mike Ramirez reported that he has nothing new to report beyond his normal tasks.

Jared Ross: Jared Ross provided an update on the Three Falls Substation. Bussing is being installed. Cable trenches have been installed. The Line Crew will be helping run the cabling to all the equipment and then the Substation guys will continue. Bussing is the aluminum piping that goes on top of the steel structures to help connect structures to route the power through the substation. Cabling comes out of the equipment, into cable trays and into the control house. Pam Humphries asked if December 2023 is still the plan for completion. Jared Ross stated he lost two guys from his crew, so it has really slowed things down for him. He’s not sure what the completion date will be. Joseph Prete asked if there is more than one function for a substation beyond converting transmission voltage to distribution voltage. Jared Ross replied that this substation will also be what is known as a ring bus, which makes it a switchyard as well. We are only completing one side of this substation. This is a dual bay substation and will have an empty bay which can be utilized for future growth. Joseph Prete asked how many transmission lines can come in and how many distribution lines can go out. Scott Hughes replied that we have designed this substation for a transmission line in and out and a total of six distribution lines out, three per bay. There was a discussion regarding the goal to have a full transmission loop throughout the city. Discussion regarding getting distribution lines out of the substation and any progress with rights-of-way being worked on.

Budget: Scott Hughes reported on the regular monthly graphs and numbers. We hit a peak of 50.480 MW this year, which is an increase over last year of just over 1 MW. Charles Reeve asked if the solar graph shows a total of how much power solar customers are producing. Crystal Wright replied that this graph only shows the excess power after the homeowner’s consumption. Scott Hughes stated that our revenues have looked much better due to power prices staying lower, however we’ve had large infrastructure projects that have kept our fund from being able to rebound. We are still working on recovering the health of our fund, and still recognize we have future infrastructure projects that will need to happen to stay on top of the growth. Those will be handled at a more manageable pace financially as impact fees come in and allow. It’s possible we would continue to do engineering and obtain easements but wait for construction. There was a discussion regarding impact fee structures and a reminder that we are currently undertaking a new Capital Facilities Plan and Impact Fee Study. Scott Hughes stated ICPE is completing the study and it will take 6-8 months to complete.

Capacity Update: Scott Hughes provided information regarding a project to be able to run power through the Hurricane Fields subdivision. We are still waiting for one easement. The idea of the project is to determine capacity needed by developments and then split the price for the infrastructure upgrades needed to create that extra capacity. We took developments that had been approved for a preliminary plat already to calculate upgrade costs. The cost would be split between developers desiring to participate based on the number and size of the lots from their preliminary plat. Dayton Hall explained the increased capacity being discussed is the upgrade to Circuit 103. Once that capacity is used up, then the distribution lines will need to be constructed from the substation to achieve any further capacity. Dayton Hall stated it is required for the project to be fully funded before we begin our work on the infrastructure upgrade.

Power Department Standards and Specifications Possible Recommendation of Approval: Mike Ramirez stated that after researching to find a resolution approving the Power Board to make minor changes to the standards without City Council approval, nothing could be found. The changes that have been made throughout the years were identified and redlined to be presented for approval to the City Council with a note that minor changes may be approved by the Power Board. Nanette Billings stated that it looks like it’s condensed and the redlines look reasonable to her. Joseph Prete stated that he would like to see it come before City Council if it’s a change that may create a burden of cost or oversight for the residents. He suggested a solution to provide an avenue where the Power Board could approve within a certain framework and a report would be provided to City Council for their review. If they had any concerns upon receipt of that report, they could request that a change be brought before them. Mike Ramirez highlighted a few examples of some changes that were bigger in scope. Discussion about transformer standards that are in place and things that have come up regarding transformers with the supply chain difficulties in recent years. Joseph Prete asked questions about how long lead times are currently for transformers and where the status of a letter of intent is that was signed with Wheeler regarding purchasing generators. Scott Hughes, Mike Ramirez, and Brian Anderson replied that overhead transformers are between one to three years out and large industrial transformers are three years out. Scott Hughes replied that the letter we signed with Wheeler is still in place and we have the first right of refusal in case anyone comes and wishes to purchase them from Wheeler. If we chose to forego those generators at that time, we would just go back in line and wait three years for our turn to receive one from that point. Dayton Hall clarified a statement in the final copy of the standards that would provide the ability for the Power Department to make changes in consultation with the Power Board. A report shall then be submitted to the City Council detailing the changes. Charles Reeve made a motion to send a recommendation for approval by the City Council. Dave Imlay seconded the motion. Charles Reeve, Joseph Prete, Dave Imlay, and Mac Hall all approved. Pam Humphries abstained.

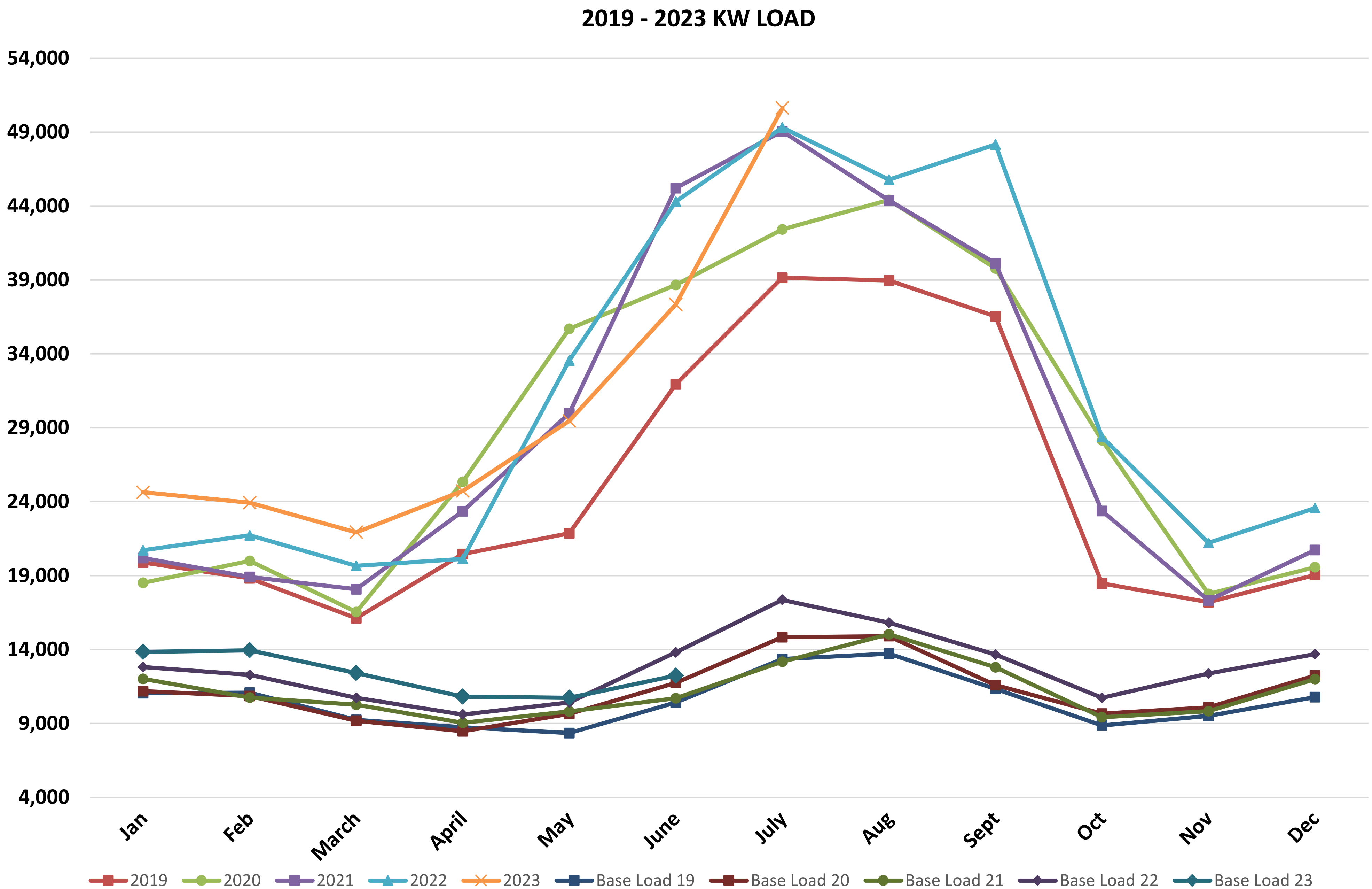
Discussion of Generator #5 Failure: Jared Ross reported that Generator #5 wouldn't build power. He did some troubleshooting. He found the rotor winding was grinding to the shaft. He contacted Wheeler and received a price of $126,000 for a complete recondition. If the rotor isn't bad, it will be approximately $70,000 for the repair instead. It takes a couple weeks after they receive the generator to determine what the damage is, and which repair is required. He hasn't pushed the issue of sending it off because it will not be back in service before the generator run season is complete. Scott Hughes informed the board that we changed our focus for the generator run this year and made the decision to run the units more carefully to minimize the number and cost of repairs for this year. Jared Ross stated the units are getting older. We need to plan for major maintenance milestones. Wheeler will meet with us to come up with a maintenance proposal together.

UAMPS Updates: Scott Hughes reported we have a big decision coming up regarding Carbon Free Power Project (CFPP). Discussion regarding where the subscription started and how far it's come to date. The Department of Energy (DOE) contributed a large chunk of money toward the project. Money from the Inflation Reduction Act (IRA) has not currently been secured. Charles Reeve stated at this point it is a waiting game until our decision in January. Scott Hughes stated a concern with new Councilmembers being elected with their term beginning at the same time as this huge decision needs to be made. Nanette Billings suggested that the new Councilmembers should be invited to the November and December Power Board meetings so they can be brought up to speed with this project during those meetings. Scott Hughes stated coal acquisition is still an issue with the Hunter plant. We purchased coal from Deseret to help operate that plant. The IPP project is still moving forward. They have been curtailing coal for the same reason that Hunter is.

Closed Meeting: Mac Hall asked if we were ready to go into closed meeting. Scott Hughes stated it is unnecessary to close the meeting. This discussion is regarding the purchase of real property. There is a parcel we put an offer on, and it was accepted. We must decide whether to move forward with the purchase by tomorrow. The building would have been used as a warehouse. A positive would be gaining more property rather than having to utilize our existing parcel to build that same type of building. The location and price of the building are both positives as well. He has made the decision to back out of the purchase based on the financial position of the department. Mac Hall asked for any input from the board. The board agreed that Scott Hughes had made a sound decision in this matter.

Power Board adjourned at 5:12 p.m. The next Power Board Meeting is scheduled for September 6, 2023, at 3:00 p.m.

BUDGET


2019 - 2023 KW LOAD
54,000
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44,000
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34,000
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19,000
14,000
9,000
4,000
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March
April
May
June
July
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2019
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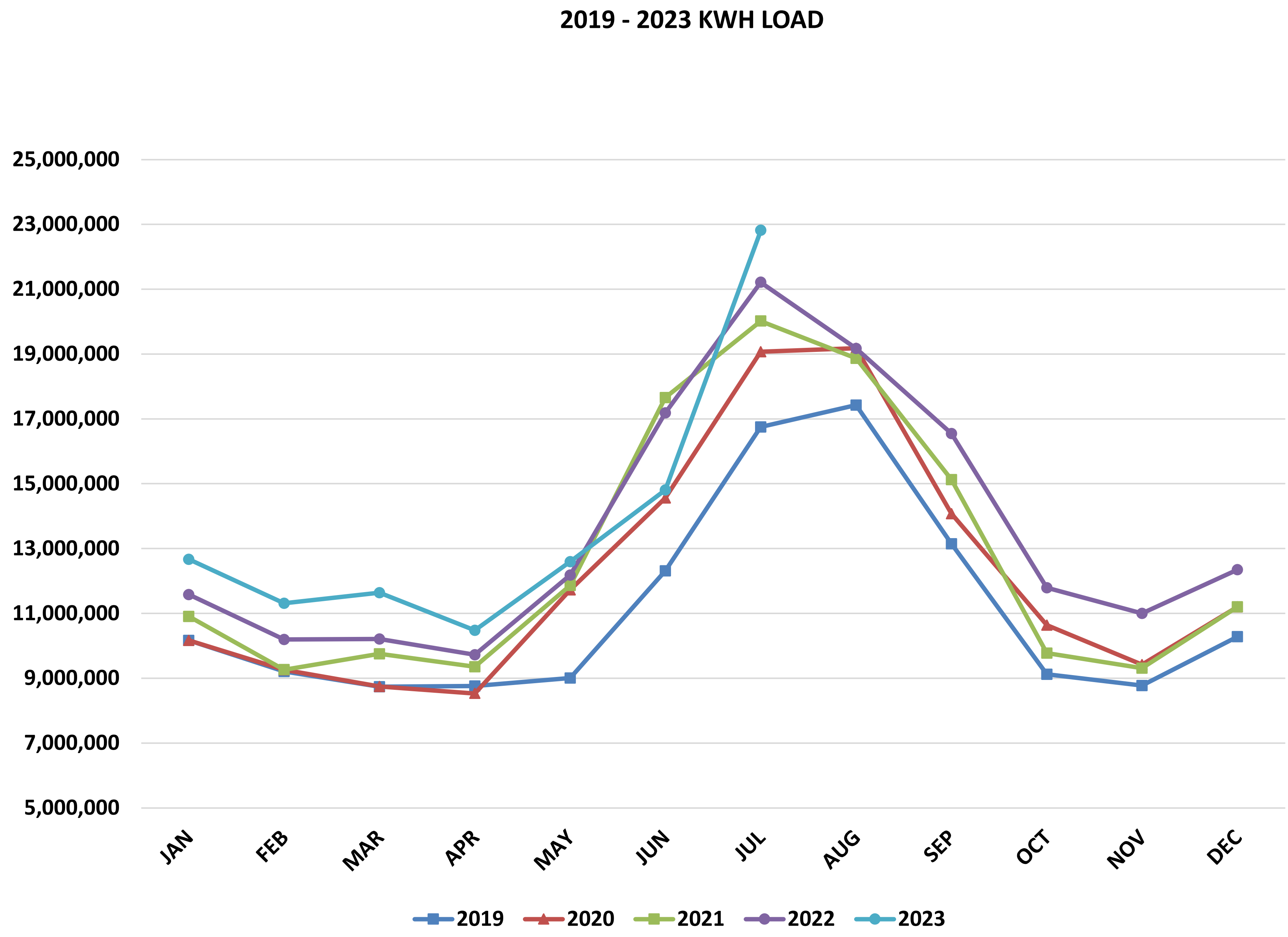
2021
2022
2023
Base Load 19
Base Load 20
Base Load 21
Base Load 22
Base Load 23


2019 - 2023 KWH LOAD
25,000,000
23,000,000
21,000,000
19,000,000
17,000,000
15,000,000
13,000,000
11,000,000
9,000,000
7,000,000
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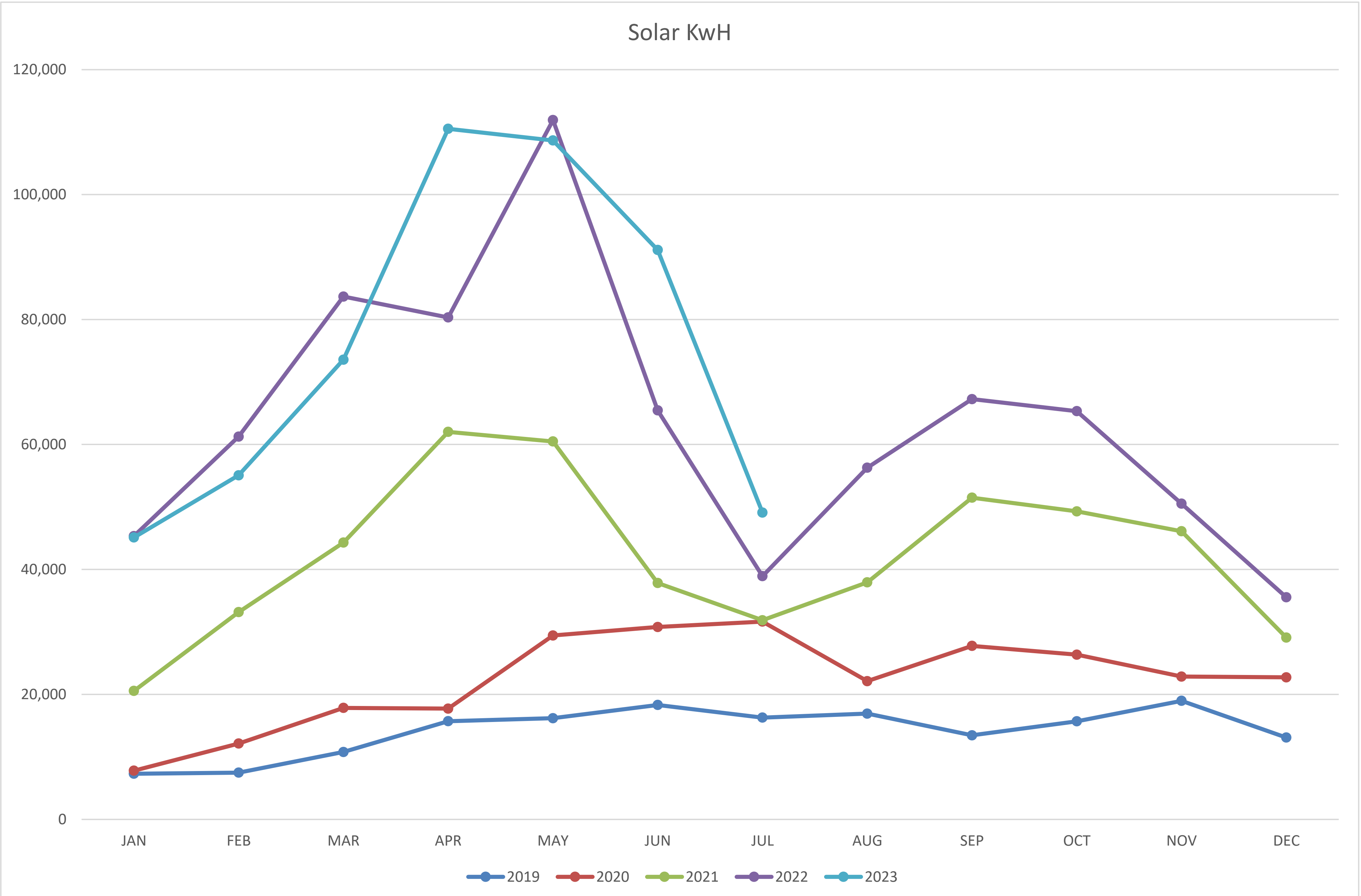
Solar KwH
120,000
100,000
80,000
60,000
40,000
20,000
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JAN
FEB
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2019
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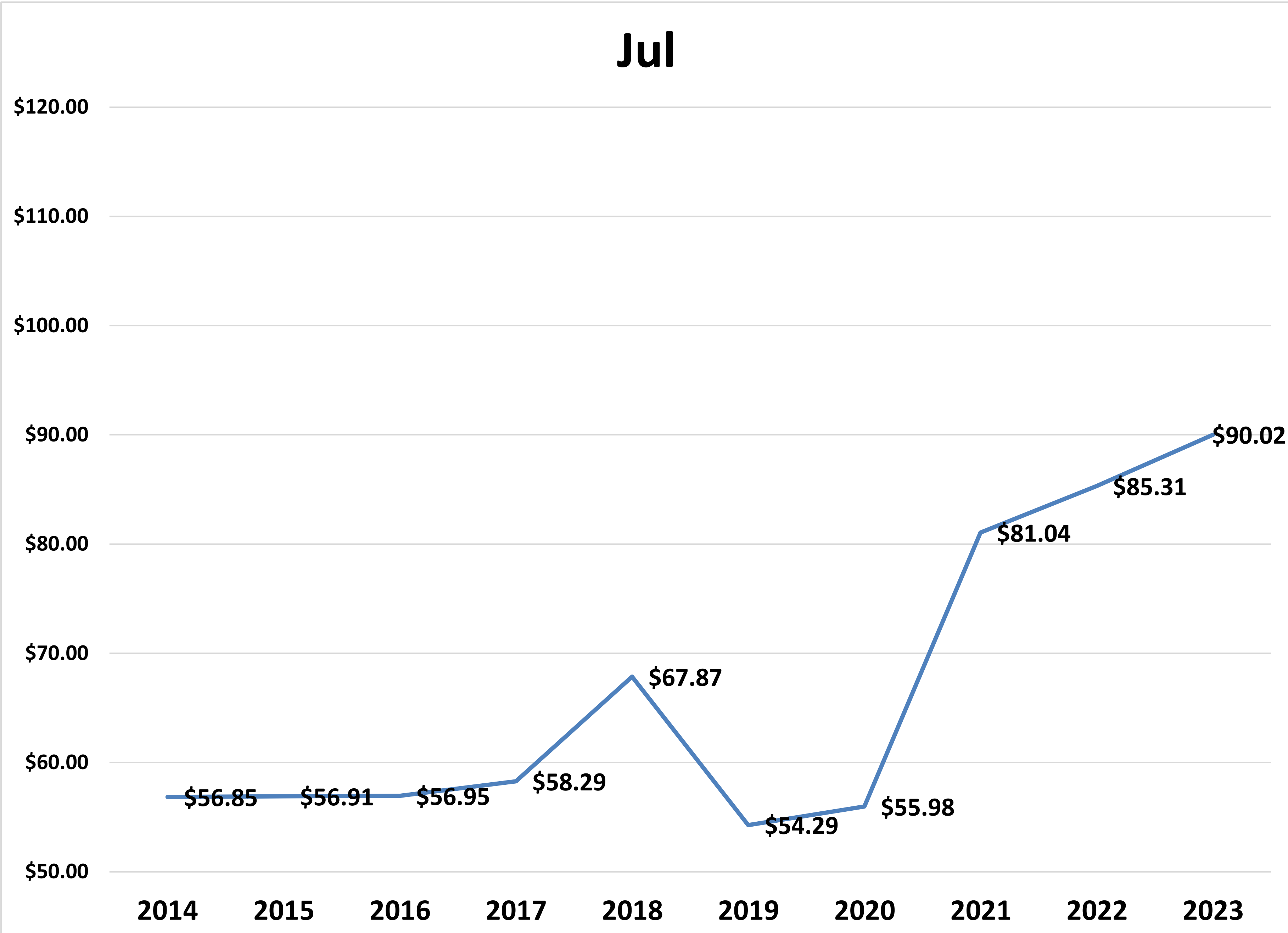
2023

AVERAGE YEARLY POWER PRICES

						22-23 bdgt amount		(not avail yet)			**$0.00**
						BDGT Year to Date					**$90.02**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Jan	$56.66	$60.76	$58.36	$59.86	$57.87	$59.07	$60.62	$59.75	$57.76	$60.14	$68.25	$132.00
Feb	$59.78	$58.15	$64.45	$65.94	$62.38	$63.04	$60.96	$67.00	$60.67	$63.19	$70.88	$85.08
Mar	$57.28	$63.50	$60.83	$62.03	$61.77	$60.99	$60.09	$65.17	$64.67	$63.64	$67.28	$81.89
Apr	$55.43	$63.77	$63.75	$61.88	$59.71	$59.49	$55.02	$55.44	$55.92	$61.86	$82.63	$71.74
May	$53.31	$60.28	$61.64	$64.71	$65.51	$60.32	$58.86	$58.55	$58.55	$59.69	$72.66	$67.01
June	$50.09	$56.05	$59.15	$58.30	$65.51	$58.54	$52.17	$55.30	$53.44	$86.91	$77.60	$69.40
Jul	$51.16	$55.62	$56.85	$56.91	$56.95	$58.29	$67.87	$54.29	$55.98	$81.04	$85.31	$90.02
Aug	$51.57	$55.49	$56.84	$55.27	$57.67	$59.00	$66.55	$54.58	$78.40	$72.03	$96.60	
Sep	$54.79	$58.80	$59.46	$56.06	$56.97	$62.36	$55.00	$54.34	$64.93	$82.38	$127.29	
Oct	$62.68	$60.35	$61.42	$56.97	$59.23	$59.79	$59.36	$59.70	$62.82	$75.92	$83.45	
Nov	$63.37	$61.65	$63.03	$59.68	$64.18	$62.14	$64.60	$63.80	$63.60	$70.47	$96.34	
Dec	$56.02	$58.37	$60.91	$57.90	$61.51	$58.80	$61.61	$58.55	$60.33	$70.07	$161.27	
Yr Avg	$56.01	$59.40	$60.56	$59.63	$60.64	$60.15	$60.23	$58.87	$61.42	$70.61	$90.80	$85.30
Weighted Avg	$55.22	$58.80	$60.34	$58.99	$59.55	$59.90	$60.56	$58.11	$61.98	$72.46	$92.09	$85.77
												Cy to Date

These figures capture the total cost of power to the power department. The power department uses costs only associated with the purchasing and generation of power and includes debt payments and interest associated with power resources.



Jul
$120.00
$110.00
$100.00
$90.00
$80.00
$70.00
$60.00
$50.00
$56.85
$56.91
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$58.29
$67.87
$54.29
$55.98
$81.04
$85.31
$90.02
2014
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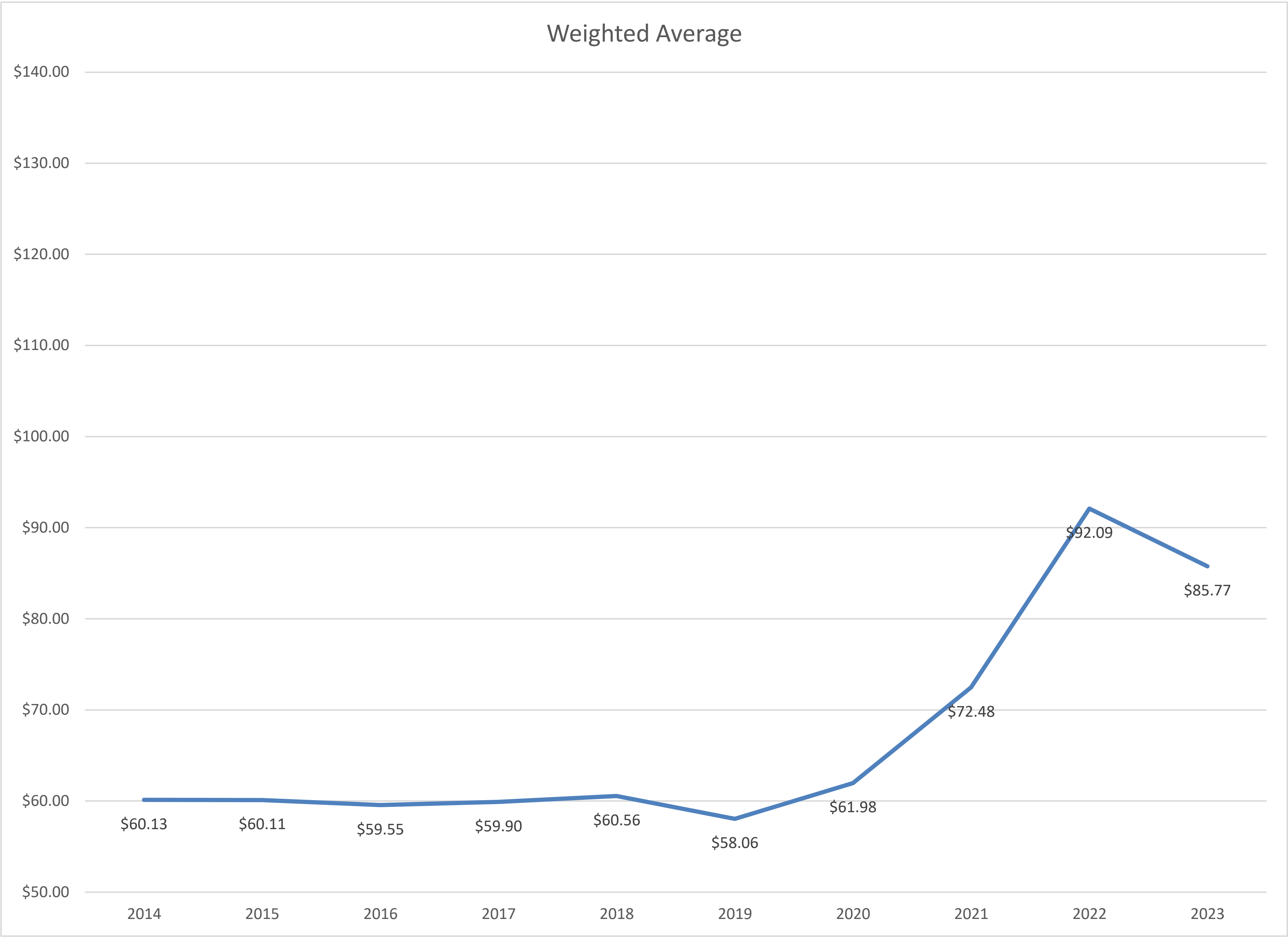
Weighted Average
$140.00
$130.00
$120.00
$110.00
$100.00
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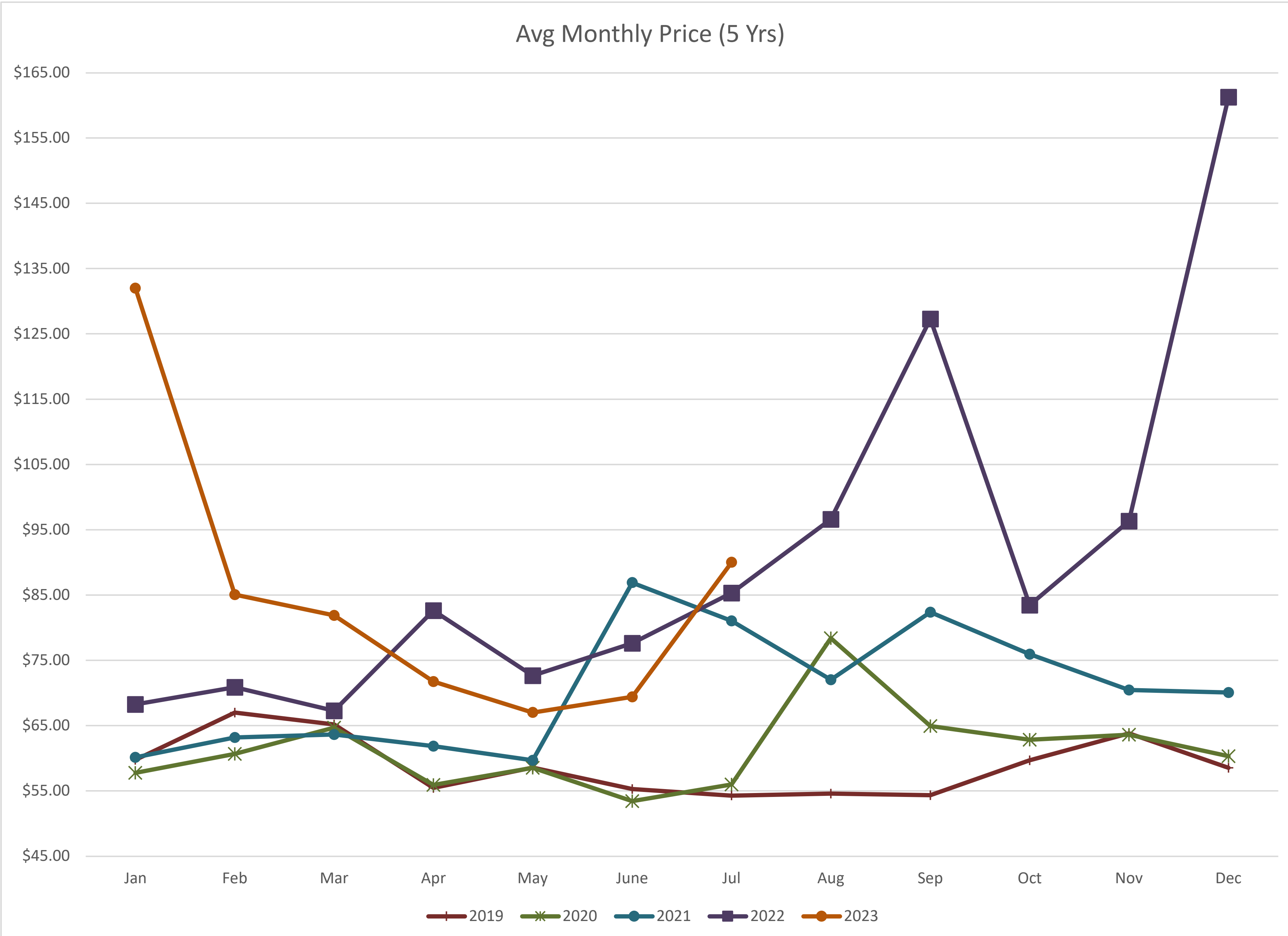
$61.98
$72.48
$92.09
$85.77



Avg Monthly Price (5 Yrs)
$165.00
$155.00
$145.00
$135.00
$125.00
$115.00
$105.00
$95.00
$85.00
$75.00
$65.00
$55.00
$45.00
Jan
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June
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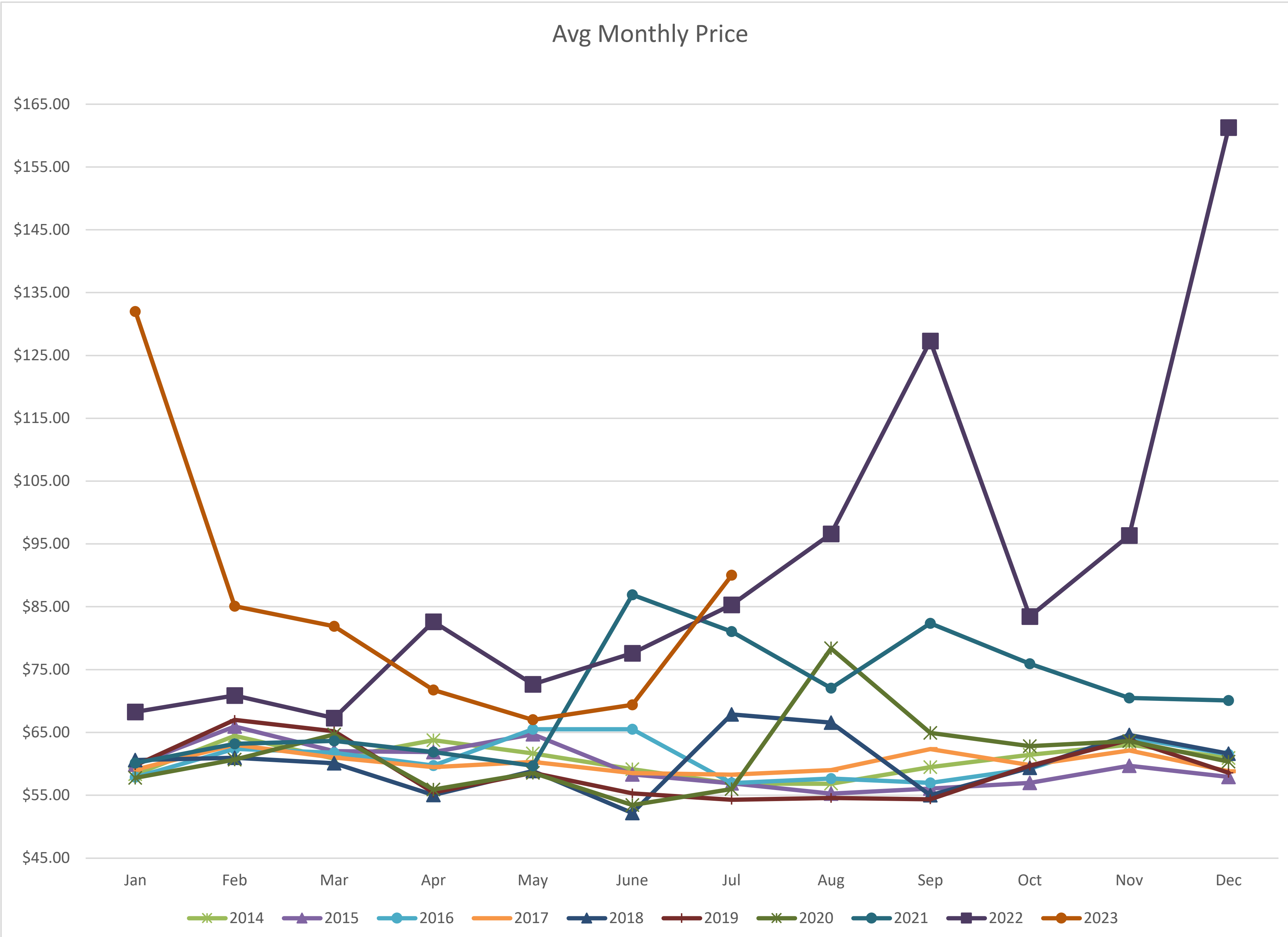
Avg Monthly Price
$165.00
$155.00
$145.00
$135.00
$125.00
$115.00
$105.00
$95.00
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$75.00
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2014
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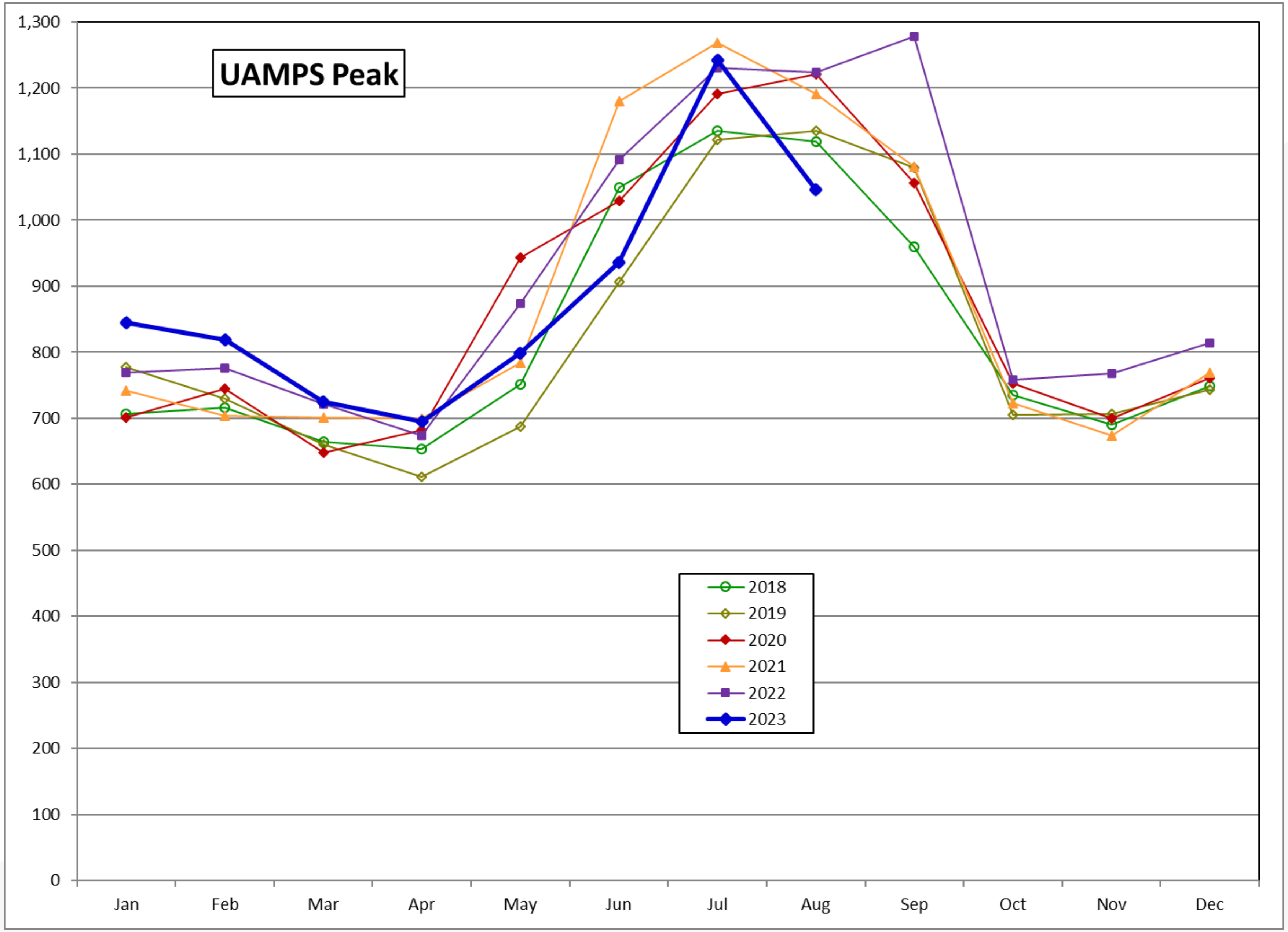
PX & Scheduling Report
July 2023

Pool Project

UAMPS SMARTENERGY

Kelton Andersen


UAMPS Peak
1,300
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1,100
1,000
900
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700
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500
400
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200
100
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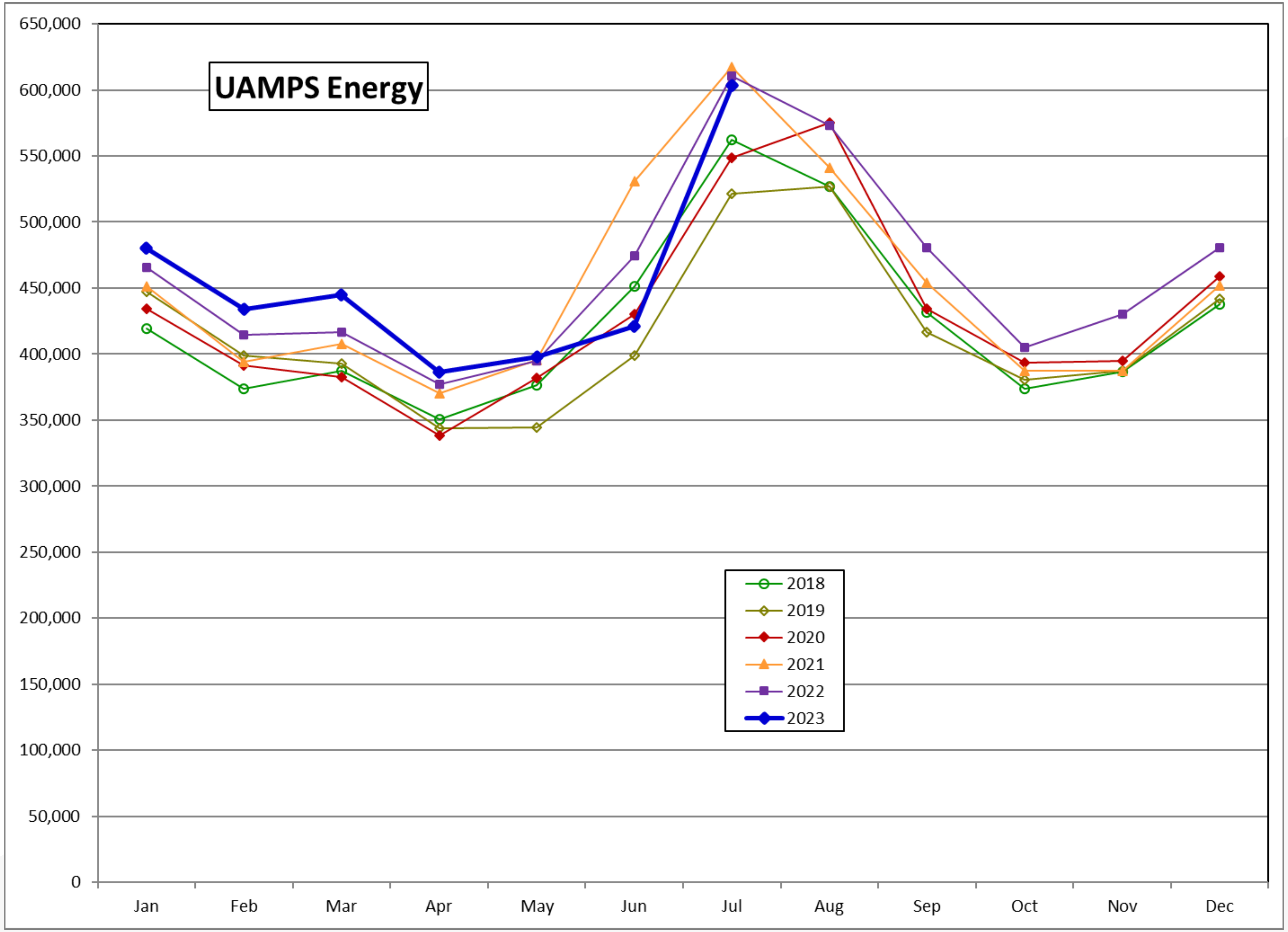

UAMPS Energy
650,000
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550,000
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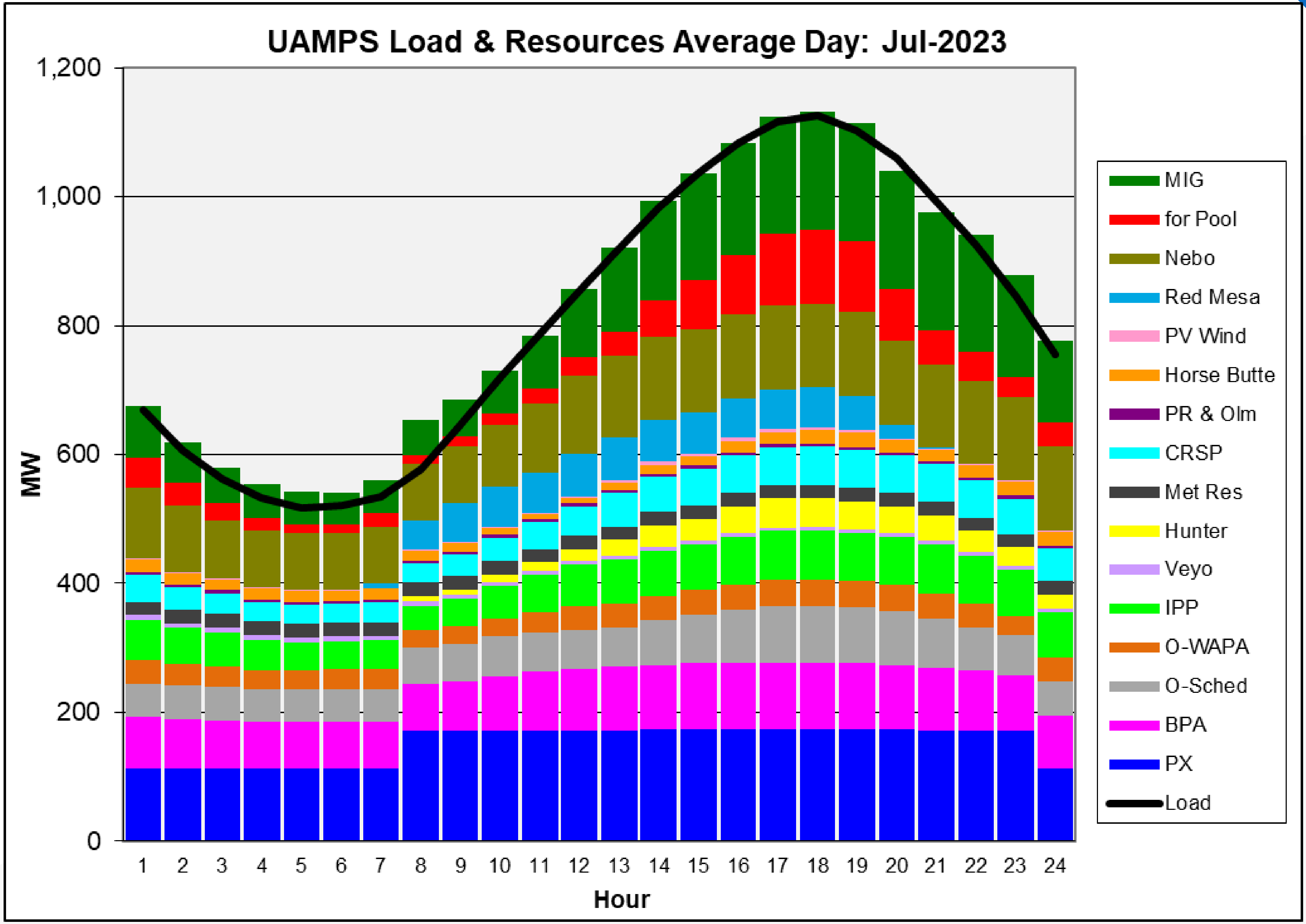


UAMPS Load & Resources Average Day: Jul-2023
1,200
1,000
800
600
400
200
0
MW
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24
Hour
MIG
for Pool
Nebo
Red Mesa
PV Wind
Horse Butte
PR & Olm
CRSP
Met Res
Hunter
Veyo
IPP
O-WAPA
O-Sched
BPA
PX
Load

2019 – Shane Ward – Jackson, Wyoming

UAMPS SMARTENERGY


GOOD TIME
RENTALS

UAMPS SMARTENERGY

UAMPS Rides the Market

2001

2011

West Wide Heat
California Outages
Aug-2020

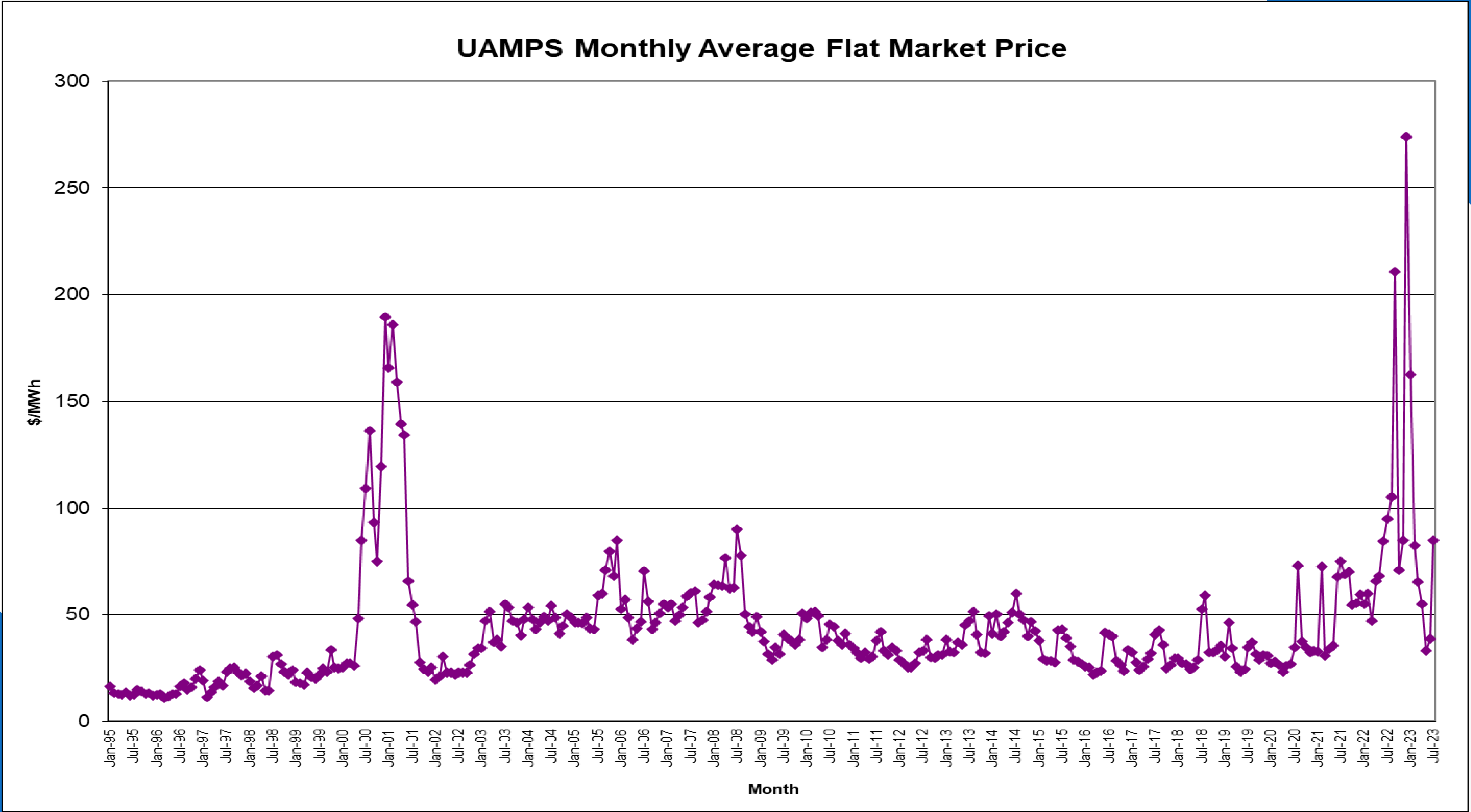
Texas... Ice Storm
Feb-2021

?

Summer
Jun-2021

First Week of
Sep-2022

Winter
Dec-2022



UAMPS Monthly Average Flat Market Price
$/MWh
0
50
100
150
200
250
300
Month
Jan-95
Jul-95
Jan-96
Jul-96
Jan-97
Jul-97
Jan-98
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Jan-23
Jul-23

Pool Project

Summer Update

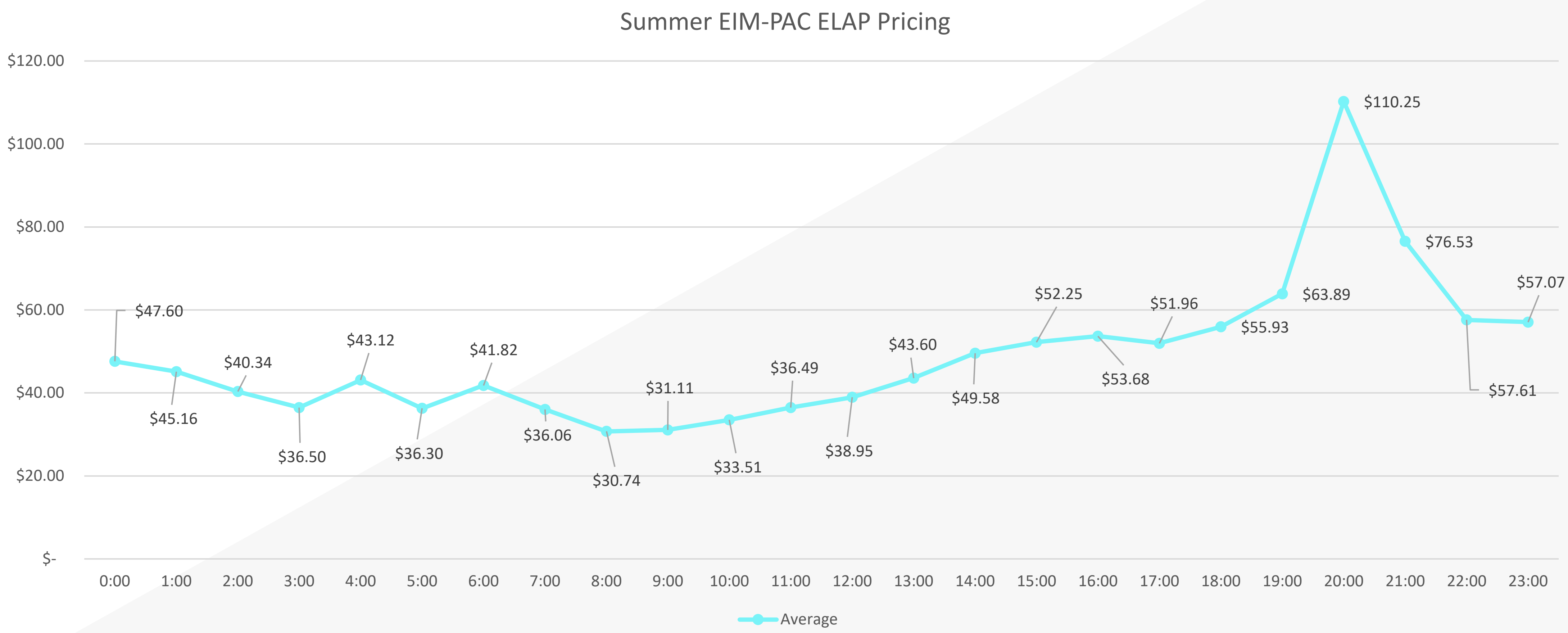
Summer Status-BLUF

- Summer 2023 has been relatively uneventful until this week
  - The West has had a few energy emergencies and watches declared
    - CAISO-EEA 1, EEA Watch
    - SPP-EEA 2
    - IID-EEA Watch
    - NVE-EEA Watch
    - APS-EEA Watch
- We are not out of the woods yet
- Operational challenges
- As summer ends it is time to look forward to winter and next summer

Summer to date

- Pricing spikes as heat spreads
  - HE20 most problematic from an economic point of view this season, followed by HE19 and HE21
  - RT/EIM pricing was as high as $870.48 HE20 in early July 20th. This pricing was only seen for 1 hour throughout this period.
    - This particular hour was partially due to CAISO's declaration of EEA-1
    - Since June 27th there have been only 29 hours with pricing over $100.00
- Day ahead pricing has been staying in the mid $100.00/MWh even going as low as the mid $60.00 last week

Summer EIM- PAC ELAP Average Pricing



Not out of the woods yet

- CAISO has scheduled limited grid maintenance activities for August 15th, 16th and17th in preparation for high loads and temperatures
  - Increased probability of Energy Emergency Alert (EEA) declaration
  - Avoid provisional products during this time
    - CAISO contingent products (G-FP) or from the CAISO system (SP15, NP15). CAISO contingent products are recallable when an EEA is declared and may result in an imbalance when the market is extremely volatile.
- September 2022 heat wave caused major economic disruptions across the west
  - Staff is actively monitoring for conditions that would similarly adversely affect members

Energy Emergency Alert- Declarations

- EEA 1 – All Available Generation in Use. A BA is considered to be in EEA 1 when all available generation resources are in use and/or:
  - The BA is experiencing conditions where all available generation resources are committed to meet firm Load, firm transactions, and reserve commitments, and is concerned about sustaining its required Contingency Reserves.
  - Non-firm wholesale energy sales (other than those that are recallable to meet reserve requirements) have been curtailed.
- EEA 2 – Load Management Procedures in Effect. A BA is considered to be in EEA 2 when load management procedures are in effect and/or:
  - The BA is no longer able to provide its expected energy requirements and is an energy-deficient Balancing Authority.
  - An energy-deficient BA has implemented its operating plan(s) to mitigate emergencies
  - An energy-deficient BA is still able to maintain minimum contingency reserve requirements.
  - Once an EEA 2 has been declared, the BA should provide periodic updates to the RC operator at a minimum of every hour until the EEA 2 has been terminated.
- EEA 3 – Firm Load Shedding Imminent or in Progress. A BA is considered to be in an EEA 3 condition when firm load interruption is imminent or in progress and the energy-deficient BA is unable to meet minimum contingency reserve requirements. Before requesting an EEA 3, the energy-deficient BA must make use of all available resources;
  - Ensuring all available generation units are online and all generation capable of being on line within the time frame of the emergency is on line.
  - Activating demand-side management within provisions of any applicable agreements
  - The energy-deficient BA is responsible for updating the RC operator at a minimum of every hour until the EEA 3 is terminated.

Operational Challenges

- UAMPS as a whole was in a very unique position this year
  - Balancing the entire portfolio of assets has become a challenge as we add more take or pay assets (term deals, PPA)
  - The system is long and short on any given day
  - How do we regulate
- UAMPS has limited assets to help regulate load and generation making dispatchable assets crucial to the asset mix
- Staff is actively pursuing methods in which participants are not harmed by helping the system

Looking Forward

Futures Indicitive Pricing													
8/11/23 Data for 8/11/23													
In dollars													
						2023							**Quarterly Average**
Qtr3													
Average of MidC ATC								$104.49	$111.78				**$108.14**
Average of Palo Verde ATC								$126.11	$120.00				**$123.06**
Qtr4													
Average of MidC ATC										$88.45	$93.75	$108.55	**$96.92**
Average of Palo Verde ATC										$64.49	$64.16	$81.07	**$69.91**
2023 Average of MidC ATC								**$104.49**	**$111.78**	**$88.45**	**$93.75**	**$108.55**	**$101.40**
2023 Average of Palo Verde ATC								**$126.11**	**$120.00**	**$64.49**	**$64.16**	**$81.07**	**$91.17**
						2024							**Quarterly Average**
Qtr1													
Average of MidC ATC	$116.15	$94.66	$63.52										**$91.45**
Average of Palo Verde ATC	$84.88	$73.94	$47.26										**$68.69**
Qtr2													
Average of MidC ATC				$58.98	$41.44	$53.81							**$51.41**
Average of Palo Verde ATC				$40.74	$38.72	$74.30							**$51.25**
Qtr3													
Average of MidC ATC							$109.06	$152.64	$93.67				**$118.46**
Average of Palo Verde ATC							$147.23	$157.99	$115.31				**$140.18**
Qtr4													
Average of MidC ATC										$70.22	$76.38	$107.82	**$84.81**
Average of Palo Verde ATC										$56.87	$57.37	$88.32	**$67.52**
2024 Average of MidC ATC	**$116.15**	**$94.66**	**$63.52**	**$58.98**	**$41.44**	**$53.81**	**$109.06**	**$152.64**	**$93.67**	**$70.22**	**$76.38**	**$107.82**	**$86.53**
2024 Average of Palo Verde ATC	**$84.88**	**$73.94**	**$47.26**	**$40.74**	**$38.72**	**$74.30**	**$147.23**	**$157.99**	**$115.31**	**$56.87**	**$57.37**	**$88.32**	**$81.91**
						2025							**Quarterly Average**
Qtr1													
Average of MidC ATC	$100.05	$86.80	$71.67										**$86.17**
Average of Palo Verde ATC	$89.74	$61.66	$47.70										**$66.37**
Qtr2													
Average of MidC ATC				$54.02	$49.92	$45.74							**$49.89**
Average of Palo Verde ATC				$33.87	$32.05	$62.87							**$42.93**
Qtr3													
Average of MidC ATC							$111.72	$139.00	$114.08				**$121.60**
Average of Palo Verde ATC							$151.14	$151.71	$129.23				**$144.03**
Qtr4													
Average of MidC ATC										$78.50	$86.53	$101.22	**$88.75**
Average of Palo Verde ATC										$52.58	$52.39	$93.75	**$66.24**
2025 Average of MidC ATC	**$100.05**	**$86.80**	**$71.67**	**$54.02**	**$49.92**	**$45.74**	**$111.72**	**$139.00**	**$114.08**	**$78.50**	**$86.53**	**$101.22**	**$86.60**
2025 Average of Palo Verde ATC	**$89.74**	**$61.66**	**$47.70**	**$33.87**	**$32.05**	**$62.87**	**$151.14**	**$151.71**	**$129.23**	**$52.58**	**$52.39**	**$93.75**	**$79.89**

STEEL 1(A) SOLAR PROJECT
FIRM POWER SUPPLY AGREEMENT
SECOND AMENDED AND RESTATED TRANSACTION SCHEDULE

This Second Amended and Restated Transaction Schedule to the Master Firm Power Supply Agreement to which all Parties to this Transaction Schedule are signatories provide for the following transactions. The Parties to this Second Amended and Restated Transaction Schedule agree to the following provisions and agree to pay all costs of this transaction through the Firm Power Supply Project.

PURCHASER:	Hurricane City
ENTITLEMENT SHARE:	6.46%
SUPPLIER:	Steel Solar, LLC (the “Steel Solar Project”)
EFFECTIVE DATE:	The Power Purchase Agreement by and between UAMPS and Steel Solar, LLC for the Steel 1(A) Solar Resource (the “Original PPA”) was executed on November 18, 2020 and that certain amendment to the Original PPA dated as of February 16, 2022 (“Amendment”). The Original PPA, as amended by the Amendment, was amended, restated and executed by UAMPS and Steel Solar, LLC on June 23, 2022 (the “First Amended PPA”). The First Amended PPA was amended, restated and executed by UAMPS and Steel Solar, LLC on August 30, 2023 (“Second Amended PPA”) The Second Amended PPA becomes effective upon UAMPS obtaining member governing body approvals. UAMPS anticipates satisfying this condition within 60 days of executing the Second Amended PPA. The Scheduled Commercial Operation Date (“COD”) is November 30, 2023. The COD may not occur earlier than March 30, 2023 but not later than March 30,2024.
TERM:	A 25-year delivery term commencing on COD. The Second Amended PPA will become effective upon UAMPS satisfying the condition precedent identified above.
AMOUNT:	2,584 kW and associated Environmental Attributes (“Entitlement Share”)
PRICE:	$34.66 per MWH
OTHER PROVISIONS:	
Energy:	UAMPS will schedule all energy pursuant to the terms and conditions of the Second Amended PPA and will delivery to the Purchaser its Entitlement Share of the Steel 1(A) Solar Resource. The Steel 1(A) Solar

Resource is to be constructed as a 40 MW solar photovoltaic generation facility located in Box Elder County, Utah.

Transmission: UAMPS will charge and the Purchaser will pay transmission charges as adopted by the UAMPS Board of Directors from time to time.

Administration: UAMPS will charge and Purchasers will pay the scheduling fee and reserve fee as adopted by the UAMPS Board of Directors from time to time.

Buyout Options: Under the Second Amended PPA, UAMPS has the ability to buy the Steel 1(A) Solar Resource from Steel Solar, LLC at specified buyout dates pursuant to a fair market value appraisal. If UAMPS is directed to pursue one of its buyout options, then UAMPS will in parallel develop new contracts or amend the Firm Power Supply Agreement with the Purchasers to provide UAMPS with the ability to finance the buyout of the Steel 1(A) Solar Resource.

Step-Up Obligation:

(1) In the event of a default by one of the Purchasers, UAMPS shall immediately allocate all of the defaulting Purchaser's Entitlement Share among the nondefaulting Purchasers, pro rata on the basis of their then-current Entitlement Shares, which shall remain in effect only until the completion of the procedures provided herein. UAMPS shall provide written notice to the nondefaulting Purchasers of the initial allocation of the defaulting Purchaser's Entitlement Share which notice shall (A) set forth the date of the initial allocation, (B) include a revised Schedule I showing the increased Entitlement Shares as a result of such allocation, (C) direct each of the nondefaulting Purchasers to make an election pursuant to subparagraph (2) below, and (D) set forth the date by which each of the nondefaulting Purchasers must notify UAMPS of such election. The initial allocation of the defaulting Purchaser's Entitlement Share and the increased Entitlement Shares of the nondefaulting Purchasers as a result of such allocation (as shown on the revised Schedule I prepared by UAMPS) shall remain in effect until the completion of the procedures provided for herein. During such period, each of the nondefaulting Purchasers shall have all of the rights, benefits, obligations and responsibilities associated with its increased Entitlement Share as a result of such allocation.

(2) Within sixty days after the initial allocation of the defaulting Purchaser's Entitlement Share, each nondefaulting Purchaser shall notify UAMPS in writing of its election to: (A) retain all of its initial allocation of the defaulting Purchaser's Entitlement Share; or (B) retain none or less than all of such allocation. Any Purchaser that elects to retain all of its initial allocation of the defaulting Purchaser's

Entitlement Share shall be deemed to have fully satisfied its step-up obligations and shall not thereafter be required to accept any additional allocation of the defaulting Purchaser's Entitlement Share; *provided* that any such nondefaulting Purchaser may give notice to UAMPS of its request to acquire additional amounts of the defaulting Purchaser's Entitlement Share as may be available.

(3) Within thirty days after its receipt of the elections of all nondefaulting Purchasers pursuant to subparagraph (2), UAMPS shall determine whether the nondefaulting Purchasers have elected to retain all of the defaulting Purchaser's Entitlement Share. In the event that one or more of the nondefaulting Purchaser's elected to retain less than all of the initial allocations of the defaulting Purchaser's Entitlement Share, UAMPS shall reallocate the remaining amounts of the defaulting Purchaser's Entitlement Share proportionally among those nondefaulting Purchasers that have requested additional amounts of the defaulting Purchaser's Entitlement Share. To the extent that any part of the defaulting Purchaser's Entitlement Share is then unallocated, UAMPS shall next reallocate the remaining portion of the defaulting Purchaser's Entitlement Share proportionally among those Purchasers that did not elect to retain all of their initial allocations of such Entitlement Share. Proportional reallocations shall be based upon the Entitlement Shares of the nondefaulting Purchasers in effect immediately prior to the defaulting Purchaser's default.

(4) In no event shall the final allocation of a defaulting Purchaser's Entitlement Share pursuant to subparagraph (3) (or the total of all such allocations in the event of multiple Purchasers' defaults) cause any nondefaulting Purchaser's Entitlement Share to increase by more than 25% over its "Adjusted Entitlement Share" without such Purchaser's consent. The "Adjusted Entitlement Share" is the Purchaser's Entitlement Share shown on Schedule I on and as of the Effective Date.

(5) UAMPS shall deliver, promptly after making the determinations and reallocations required by subparagraphs (1-4), a notice to the nondefaulting Purchasers which notice shall (A) set forth the final allocation of the defaulting Purchaser's Entitlement Share pursuant to subparagraph (3), and the effective date of the final allocation, and (B) include a revised Schedule I showing the revised Entitlement Shares of the nondefaulting Purchasers upon the final allocation pursuant to subparagraph (3). The Entitlement Shares shown on such revised Schedule I shall thereafter be the Entitlement Shares of the nondefaulting Purchasers.

(6) Any portion of the Entitlement Share of a defaulting Purchaser allocated or reallocated to a nondefaulting Purchaser pursuant to this paragraph (b) shall become a part of and shall be added to the Entitlement Share of the nondefaulting Purchaser, and from and after the date of such transfer the nondefaulting Purchaser shall be obligated

to pay for its increased Entitlement Share pursuant to the terms and provisions of this Transaction Schedule. The defaulting Purchaser shall remain liable to UAMPS and the nondefaulting Purchasers for costs incurred and damages suffered by them in connection with the actions taken with respect to the defaulting Purchaser's Entitlement Share provided for herein.

(7) If, as a result of the limitation stated in subparagraph (4) above, any portion of a defaulting Purchaser's Entitlement Share remains unallocated or upon the request of any nondefaulting Purchaser, UAMPS shall use Commercially Reasonable Efforts to sell or dispose of the unallocated or designated Entitlement Share. The defaulting Purchaser shall be liable for the costs, fees and expenses incurred by UAMPS in connection with any such sale, disposition or remedial action.

Other: Any costs incurred by UAMPS due solely to this Transaction Schedule, including but not limited to the Second Amended PPA costs, transmission costs, scheduling costs, administrative costs and legal costs will be the responsibility of Purchasers invoiced through the UAMPS Power Bills.

This Transaction Schedule may be signed in counterpart.

Dated this ________ day of ______________, 2023.

HURRICANE CITY

By:_________________________________

Title:_________________________________

UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS

By:_________________________________

Title:_________________________________

Schedule I

MEMBER	KW AMOUNT 40,000	ENTITLEMENT %
Blanding	646	1.62%
Bountiful	6,459	16.15%
Fairview	129	0.32%
Fillmore	388	0.97%
Heber	6,459	16.15%
Hurricane	2,584	6.46%
Hyrum	2,584	6.46%
Lehi	10,000	25.00%
Mt. Pleasant	388	0.97%
Paragonah	50	0.13%
Payson	3,877	9.69%
Price	3,500	8.75%
Santa Clara	1,000	2.50%
SUVESD	646	1.62%
Washington	1,292	3.23%
TOTAL	**40,000**	**100.00%**

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE STEEL SOLAR 1A PROJECT SECOND AMENDED AND RESTATED TRANSACTION SCHEDULE UNDER THE MASTER FIRM POWER SUPPLY AGREEMENT WITH UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS; AND RELATED MATTERS.

*****   *****   *****

WHEREAS, Hurricane City (the *"Member"*) owns and operates a utility system for the provision of electric energy to its residents and others (the *"System"*) and 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 dated as of March 20, 2009, as amended (the *"Joint Action Agreement"*);

WHEREAS, the Member desires to purchase all or a portion of its requirements for electric power and energy from or through UAMPS and has entered into a Power Pooling Agreement with UAMPS to provide for the efficient and economic utilization of its power supply resources;

WHEREAS, the Member has previously entered into the Master Firm Power Supply Agreement with UAMPS in order to allow for UAMPS entering into various firm transactions for the purchase and sale of firm supplies of electric power and energy;

WHEREAS, UAMPS has investigated the Steel Solar 1A Project, a forty (40) megawatt (MW) solar photovoltaic generation facility to be located in Box Elder County, Utah, on behalf of its members and is now prepared to enter into a twenty-five (25) year second amended and restated power purchase agreement with Steel Solar LLC to secure the delivery of all the energy from the Project and associated environmental attributes; and

WHEREAS, the Member now desires to authorize and approve the Steel Solar 1A Second Amended and Restated Transaction Schedule ("Second Amended and Restated Transaction Schedule") attached hereto as Exhibit A for the Project subject to the parameters set forth in this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Hurricane City as follows:

Section 1. Authorization of Steel Solar 1A Second Amended and Restated Transaction Schedule. The Second Amended and Restated Transaction Schedule, in substantially the form presented at the meeting at which this resolution is adopted, is hereby authorized and approved, and the Member Representative is hereby authorized, empowered and directed to execute and deliver the Second Amended and Restated Transaction Schedule on behalf of the Member. Promptly upon its execution, the Second Amended and Restated Transaction Schedule shall be filed in the official records of the Member.

Section 2. Other Actions. The Mayor, City Recorder, the Member Representative and other officers and employees of the Member shall take all actions necessary or reasonably required to carry out, give effect to, and consummate the transactions contemplated hereby and shall take all actions necessary to carry out the execution and delivery of the Second Amended and Restated Transaction Schedule and the performance thereof.

Section 3. Miscellaneous; Effective Date. (a) All previous acts and resolutions in conflict with this resolution or any part hereof are hereby repealed to the extent of such conflict.

(b) 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.

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

ADOPTED AND APPROVED this ______ day of _________, 2023.

HURRICANE CITY

____
Mayor

ATTEST AND COUNTERSIGN:

____
City Recorder

[SEAL].

EXHIBIT A
STEEL SOLAR 1A SECOND AMENDED AND RESTATED TRANSACTION SCHEDULE

CYRQ GEOTHERMAL STUDY PROJECT AGREEMENT BETWEEN HURRICANE CITY AND UAMPS

This Cyrq Study Project Agreement (this "*Agreement*") is made and entered into as of August 16, 2023, between Utah Associated Municipal Power Systems, a political subdivision of the State of Utah ("*UAMPS*"), and Hurricane City, a member of UAMPS and participant in UAMPS Resource Project ("*Participant*").

As a Participant in the Cyrq Geothermal Study Project (the "Cyrq Study Project"), UAMPS and Participant hereby agree to the following terms:

1. The Participant previously executed an agreement for the Geothermal Study Project and this Cyrq Study Project Agreement is an additional project to study and complete due diligence for a possible Power Purchase Agreement with Cyrq based on the terms contained in this Agreement.

2. Participant's participati6on percentage for the Cyrq Study Project is 3.7726% which may be adjusted from time to time depending other members exiting the project. The participation percentages for the Participants in the Cyrq Study Project are attached hereto as Exhibit A.

3. Participant agrees to pay for all costs associated with its pro rata share of the Study Costs (defined below) based on its participation percentage and as approved by the Cyrq Geothermal Study Project Participants (the "Study Committee") in the Resource Project Management Committee.

4. "Study Costs" shall consist of those costs that the Study Committee has budgeted to further the study of the feasibility of the Cyrq Study Project as recommended by the Cyrq Geothermal Study Participants and approved by the Resource Project Management Committee.

5. Participant may terminate its participation in the Cyrq Geothermal Study Project at any time; *provided however*, such termination shall not alleviate Participant from previously committed Study Costs.

HURRICANE CITY	UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS
By:____________________________________	By:____________________________________
Its:____________________________________	Its:____________________________________

EXHIBIT A

Member	Cyrq Study kW Allocation	Cyrq Allocation Percent
Beaver	817	1.2575%
Blanding	286	0.4401%
Bountiful	8,174	12.5754%
Brigham City	2,452	3.7726%
Enterprise	409	0.6288%
Ephraim	245	0.3773%
Fairview	82	0.1258%
Fallon	1,635	2.5151%
Heber	3,000	4.6154%
Hurricane	2,452	3.7726%
Kaysville	3,270	5.0302%
Lehi	8,174	12.5754%
Logan	6,539	10.0603%
Los Alamos	4,087	6.2877%
Morgan	82	0.1258%
Murray	4,904	7.5453%
Payson	1,635	2.5151%
Plumas	4,087	6.2877%
Price	4,087	6.2877%
SESD	409	0.6288%
Springville	2,452	3.7726%
Truckee	2,452	3.7726%
Washington	3,270	5.0302%
TOTAL	**65,000**	**100.0000%**

GDS Associates, Inc.
ENGINEERS & CONSULTANTS

PRESENTED BY GDS ASSOCIATES, INC.

SAN JUAN DECOMMISSIONING AND RECLAMATION UPDATE

August 16, 2023

SAN JUAN DECOMMISSIONING UPDATE

- **Progress Update – South Evaporative Pond (SEP) Closure**
  - *Pond Closure Plans: Bohannon Huston (BHI) is evaluating an alternative option to closing the ponds and reducing the height of the embankment material, which will reduce the amount of fill material required to purchase. Significant savings are anticipated if the plan is approved.*
  - BHI 60% design was scheduled to be complete July 14,2023
  - Alternative option was put out for bid to contractors on July 31, 2023.
    - *Revised SEP closure bids for Option 2 are scheduled to be received by August 28, 2023 and evaluated by September 29, 2023*
  - PNM will submit revised closure plans to Decommissioning Committee for approval by the end of September 2023
  - PNM will submit revised closure plans to the Office of the State Engineer (OSE) for approval by the end of November 2023
    - *OSE approval to proceed is anticipated in January 2024, with construction to begin immediately thereafter*

SAN JUAN DECOMMISSIONING UPDATE

- **Progress Update – Shumway and Memorial systems closure**
  - *PNM expects to submit closure plans by October 2025*
    - Construction for closure of Process Ponds 3A, 3B, and 3C expected to begin in October 2025
    - Construction for closure of Process Ponds 1A, 1B, 2A, and 2B not anticipated until January 2035.

SAN JUAN DECOMMISSIONING UPDATE

- **Progress Update – Decommissioning**
  - *Decommissioning & Demolition Contract has been issued to INTEGRATED DEMOLITION AND REMEDIATION INC (IDR).*
    - IDR's Project Manager and Safety Manager are on site completing Project submittals prior to mobilization.
    - Demolition work (mostly asbestos removal) commenced in July 2023
  - *Third Party Air Monitor Contract awarded to Terracon*
  - *As of the end of June, Westmoreland was complete in the "force majeure" area, C&D Coal reclaim area was 60% complete, and A&B reclaim area was 40% complete.*
  - *Transformers (GSUs) had been sold and removed by the end of May 2023*
  - *Sale of Lake and River transfer documents finalized and awaiting final Bureau of Reclamation acceptance*

SAN JUAN DECOMMISSIONING UPDATE

Cost Update – Decommissioning

– *2023 Costs to date:*

San Juan Costs Summary
June 2023 YTD ($000s)

		Jan	Feb	Mar	Apr	May	Jun	Jun	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year to Date			Year End Forecast 2023		
Decommissioning Projects - Allocated to 9 parties.	Prior Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Actual	Variance	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Budget	Actual	Variance	Budget	Forecast	Variance
R Water Diversion Assets and Water Supply	99	1	2	2	3	0	(7,150)	13	7,163	(7,150)	0	0	0	0	0	0	20	20	0	(7,130)	(7,130)
2021 Decommissioning Study	447	0	(46)	0	0	0	0	0	0	0	0	0	0	0	0	0	(46)	0	0	(46)	(46)
age Revenue/Investment Recovery	(195)	55	(1,306)	(575)	(325)	(638)	(700)	(1,537)	(837)	0	0	0	0	0	0	(727)	(4,326)	(701)	(1,455)	(4,326)	(2,872)
Decommissiong Plan	0	0	62	4	1	52	58	(34)	(92)	59	0	0	0	0	0	0	85	(176)	0	144	144
Modification to Shumway Pumps	132	9	(20)	0	0	0	0	0	0	0	0	0	0	0	0	0	(10)	0	0	(10)	(10)
SJGS Ongoing Annual Expenses	0	752	480	353	253	322	249	249	0	219	219	231	219	219	224	1,406	2,409	77	2,395	3,740	1,345
SJGS Decommissioning Retirement Engineering Service	0	15	183	274	88	216	41	(14)	(55)	0	0	0	0	0	0	740	762	(106)	740	762	22
olition-R1 Future presentation	0	0	0	0	(0)	0	0	0	0	0	0	0	476	500	500	600	(0)	(1)	11,315	1,476	(9,840)
olition-Residual Coal Cleanup	0	0	0	109	97	107	416	33	0	319	369	0	0	0	0	0	346	(1,100)	0	1,034	1,034
SJGS South Evaporation Pond Closure Permit Engineering	0	0	0	0	0	0	0	0	0	55	0	0	0	0	55	0	0	0	0	110	110
Project Management Demolition and Pond Closure	0	0	0	0	0	0	106	0	(106)	106	106	106	106	106	106	0	0	(316)	0	638	638
SJGS Abatement and Demolition	0	0	0	0	0	0	1,239	698	(541)	1,426	1,264	503	503	158	158	0	698	(624)	0	4,710	4,710
Residual Ash Transport from Site Ash Disposal Area to Mine Dis	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9	0	0	0	0	9	9
al		833	(644)	166	116	59	(5,741)	(593)	5,531	(4,966)	1,958	841	1,305	983	1,052	2,018	(63)	(2,927)	12,996	1,110	(11,886)

questing Approval

		Jan	Feb	Mar	Apr	May	Jun	Jun	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year to Date			Year End Forecast 2023		
Project Description	Prior Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Actual	Variance	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Budget	Actual	Variance	Budget	Forecast	Variance
ement in Place (Unit 2 & 3 Exhibit E demo)	2,223	41	0	149	3	(1)	0	0	0	0	0	0	0	0	0	0	192	(48)	0	192	(48)
al		41	-	149	3	(1)	0	0	0	0	0	0	0	0	0	0	192	(48)	0	192	(48)

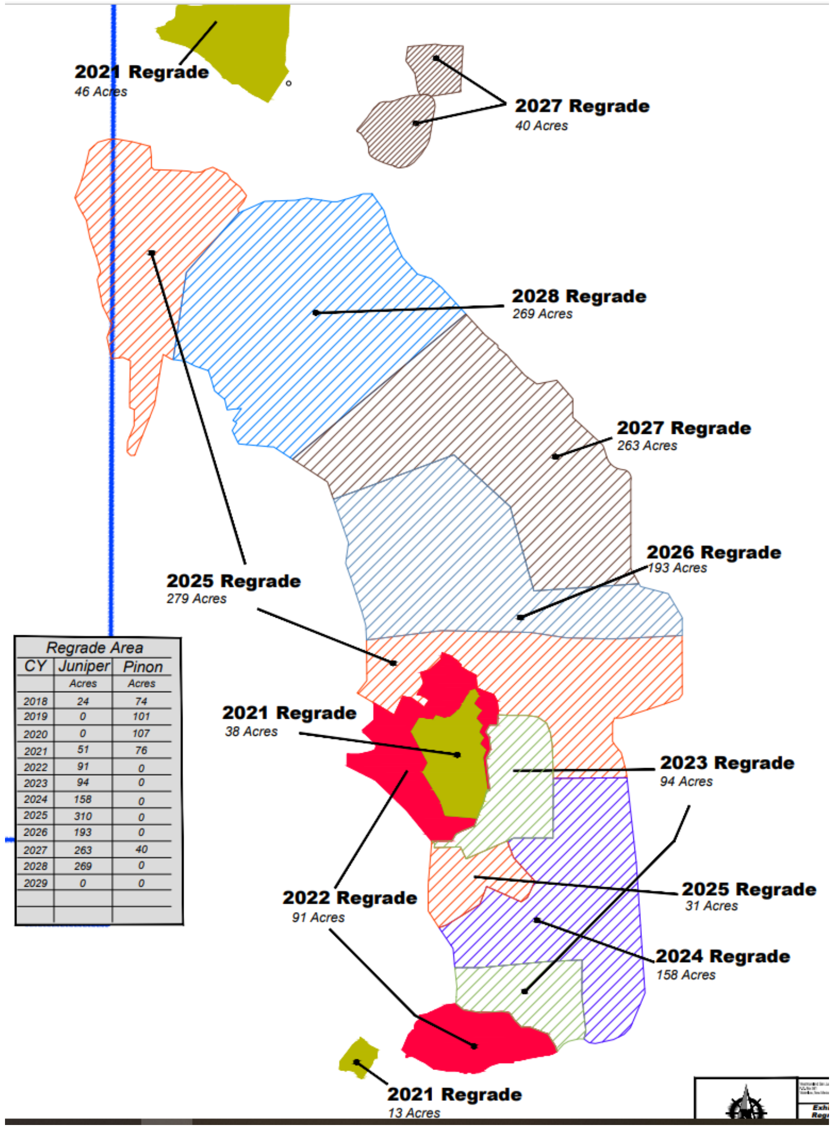
– *PNM is in the process of preparing a revised budget to incorporate updated bids – anticipated in August 2023*

– Budget is awaiting approval of PNM A&G Study

SAN JUAN RECLAMATION UPDATE

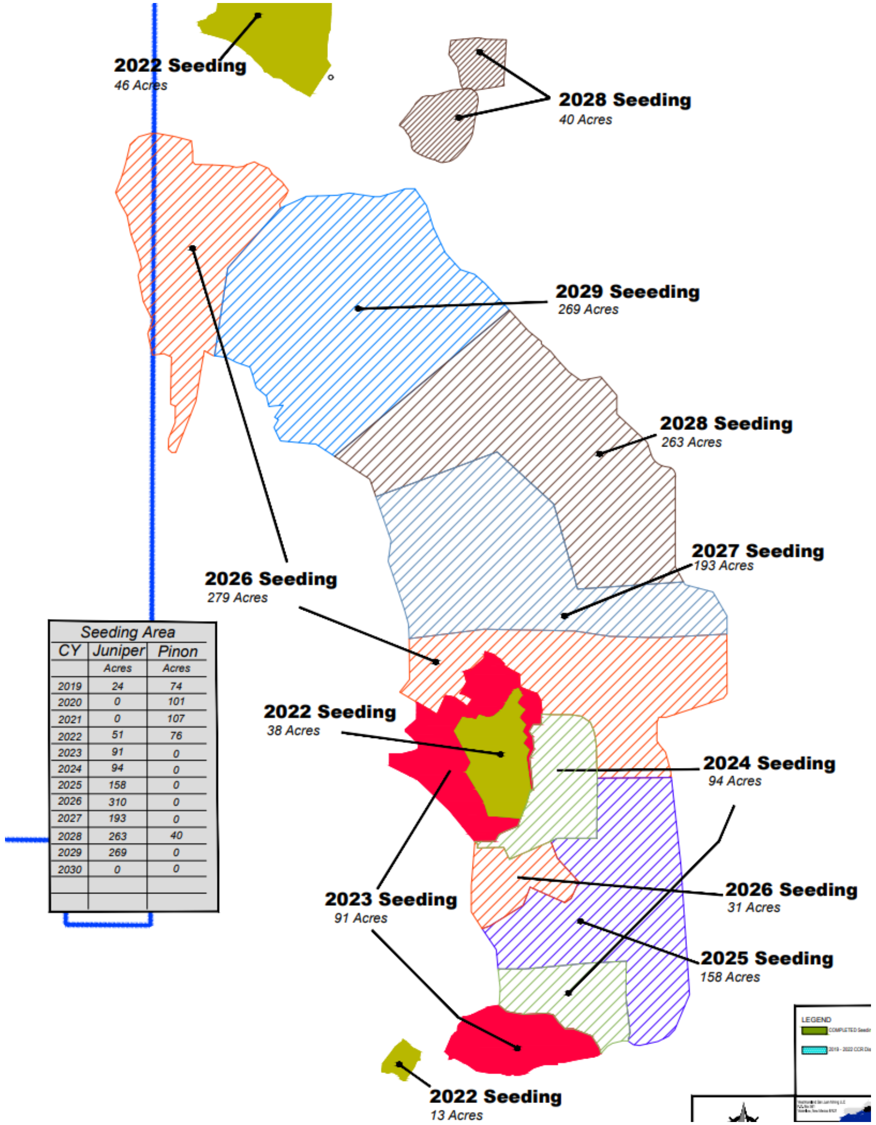
- **Progress Update – Reclamation**
  - *Westmoreland issued the 2024 Reclamation Services Agreement (RSA)*
  - *Annual Operating Plan (AOP) on July 5, 2023*
    - San Juan Mine AOP Annual Review conducted with Owners on July 24, 2023
  - *San Juan Mine tour scheduled for September 12, 2023*
- **La Plata Mine**
  - *La Plata Mine haul road bond release anticipated by the end of 2023*
  - *Only monitoring activities anticipated for 2024 and beyond*
- **Juniper Pit**
  - *See Slide 7*

JUNIPER PIT REGRADE AND SEEDING SCHEDULE



Regrade Area

CY	Juniper	Pinon
	Acres	Acres
2018	24	74
2019	0	101
2020	0	107
2021	51	76
2022	91	0
2023	94	0
2024	158	0
2025	310	0
2026	193	0
2027	263	40
2028	269	0
2029	0	0



Seeding Area

CY	Juniper	Pinon
	Acres	Acres
2019	24	74
2020	0	101
2021	0	107
2022	51	76
2023	91	0
2024	94	0
2025	158	0
2026	310	0
2027	193	0
2028	263	40
2029	269	0
2030	0	0

SAN JUAN RECLAMATION UPDATE

- **2024 Reclamation Cost Estimate**
  - *UAMPS budget is sufficiently funded to cover January – March expenses*

Westmoreland San Juan Mining	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	Total 2024
Direct Costs													
Direct Cost La Plata	$ 27,916	$ 27,916	$ 27,916	$ 28,104	$ 28,104	$ 28,104	$ 48,270	$ 28,270	$ 28,270	$ 28,437	$ 28,437	$ 28,437	**$ 358,182**
Direct Cost San Juan	$ 1,526,917	$ 443,932	$ 1,404,117	$ 1,546,804	$ 2,405,374	$ 1,758,125	$ 1,812,540	$ 1,782,435	$ 1,397,670	$ 1,047,250	$ 1,784,226	$ 1,902,726	**$ 18,812,116**
Direct Cost La Plata Haulroad	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Total Direct Costs	**$ 1,554,833**	**$ 471,848**	**$ 1,432,033**	**$ 1,574,907**	**$ 2,433,477**	**$ 1,786,229**	**$ 1,860,811**	**$ 1,810,706**	**$ 1,425,940**	**$ 1,075,687**	**$ 1,812,664**	**$ 1,931,163**	**$ 19,170,298**
Indirect Costs Westmoreland San Juan													
Administration/Engineering/Legal	$ 32,321	$ 32,321	$ 32,321	$ 32,538	$ 32,538	$ 32,538	$ 32,731	$ 32,731	$ 32,731	$ 32,924	$ 32,924	$ 32,924	**$ 391,540**
Management Fee 7.50%	$ 119,037	$ 37,813	$ 109,827	$ 120,558	$ 184,951	$ 136,407	$ 142,016	$ 138,258	$ 109,400	$ 83,146	$ 138,419	$ 147,307	**$ 1,467,138**
Capital Recovery	$ 104,167	$ 104,167	$ 104,167	$ 104,167	$ 104,167	$ 104,167	$ 104,167	$ 104,167	$ 104,167	$ 104,167	$ 104,167	$ 104,167	**$ 1,250,000**
Bond Premiums	$ 191,469	$ 191,469	$ 191,469	$ 191,469	$ 191,469	$ 191,469	$ 191,469	$ 191,469	$ 191,469	$ 191,469	$ 191,469	$ 191,469	**$ 2,297,622**
Bond Reduction Incentive	$ -	$ -	$ -	$ -	$ -	$ -	$ 33,271	$ -	$ -	$ -	$ -	$ -	**$ 33,271**
Subtotal Indirect Costs	**$ 446,993**	**$ 365,769**	**$ 437,783**	**$ 448,731**	**$ 513,124**	**$ 464,581**	**$ 503,653**	**$ 466,624**	**$ 437,766**	**$ 411,705**	**$ 466,978**	**$ 475,865**	**$ 5,439,571**
													$ 5,439,571
Pre Tax & Royalty Subtotal	**$ 2,001,825**	**$ 837,616**	**$ 1,869,816**	**$ 2,023,639**	**$ 2,946,602**	**$ 2,250,809**	**$ 2,364,463**	**$ 2,277,330**	**$ 1,863,707**	**$ 1,487,392**	**$ 2,279,642**	**$ 2,407,029**	**$ 24,609,869**
Taxes, Royalties, Other Costs													
NM Resource Excise Tax	$ 15,014	$ 6,282	$ 14,024	$ 15,177	$ 22,100	$ 16,881	$ 17,733	$ 17,080	$ 13,978	$ 11,155	$ 17,097	$ 18,053	**$ 184,574**
NM Conservation Tax	$ 3,803	$ 1,591	$ 3,553	$ 3,845	$ 5,599	$ 4,277	$ 4,492	$ 4,327	$ 3,541	$ 2,826	$ 4,331	$ 4,573	**$ 46,759**
Sub, Resource & Excise Taxes	$ 18,817	$ 7,874	$ 17,576	$ 19,022	$ 27,698	$ 21,158	$ 22,226	$ 21,407	$ 17,519	$ 13,981	$ 21,429	$ 22,626	**$ 231,333**
Pre Royalty & GRT Subtotal	$ 2,020,643	$ 845,490	$ 1,887,392	$ 2,042,661	$ 2,974,300	$ 2,271,967	$ 2,386,689	$ 2,298,736	$ 1,881,225	$ 1,501,374	$ 2,301,070	$ 2,429,655	**$ 24,841,202**
Coal Royalties	$ 156,646	$ 65,507	$ 146,312	$ 158,353	$ 230,606	$ 176,137	$ 184,943	$ 178,213	$ 145,833	$ 116,373	$ 178,393	$ 188,366	**$ 1,925,681**
Pre GRT Subtotal	$ 2,177,289	$ 910,997	$ 2,033,704	$ 2,201,014	$ 3,204,905	$ 2,448,104	$ 2,571,632	$ 2,476,949	$ 2,027,058	$ 1,617,747	$ 2,479,464	$ 2,618,020	$ 26,766,883
New Mexico Gross Receipts Tax	$ 144,245	$ 60,354	$ 134,733	$ 145,817	$ 212,325	$ 162,187	$ 170,371	$ 164,098	$ 134,293	$ 107,176	$ 164,264	$ 173,444	**$ 1,773,306**
Grand Total Westmoreland San Juan	**$ 2,321,534**	**$ 971,350**	**$ 2,168,437**	**$ 2,346,831**	**$ 3,417,230**	**$ 2,610,291**	**$ 2,742,003**	**$ 2,641,047**	**$ 2,161,351**	**$ 1,724,923**	**$ 2,643,728**	**$ 2,791,464**	**$ 28,540,189**

SAN JUAN RECLAMATION UPDATE

2025-2030 Reclamation Cost Estimate

Westmoreland San Juan Mining		Q1 2025	Q2 2025	Q3 2025	Q4 2025	Total 2025	2026	2027	2028	2029	2030
Direct Costs											
Direct Cost La Plata		$ 85,811	$ 86,374	$ 106,936	$ 87,436	**$ 366,557**	**$ 375,244**	**$ 384,244**	**$ 393,244**	**$ 402,494**	**$ 411,994**
Direct Cost San Juan		$ 5,820,635	$ 6,925,052	$ 6,090,312	$ 3,753,413	**$ 22,589,412**	$ 23,900,131	$ 21,710,684	$ 14,573,863	$ 5,536,885	$ 482,034
Direct Cost La Plata Haulroad		$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	$ -	$ -
Total Direct Costs		**$ 5,906,447**	**$ 7,011,426**	**$ 6,197,249**	**$ 3,840,849**	**$ 22,955,969**	**$ 24,275,375**	**$ 22,094,929**	**$ 14,967,107**	**$ 5,939,379**	**$ 894,027**
Indirect Costs Westmoreland San Juan											
Administration/Engineering/Legal		$ 99,350	$ 100,002	$ 100,653	$ 101,232	**$ 401,236**	**$ 411,294**	**$ 421,714**	**$ 432,134**	**$ 442,843**	**$ 453,842**
Management Fee	7.50%	$ 450,435	$ 533,357	$ 472,343	$ 295,656	**$ 1,751,790**	**$ 1,851,500**	**$ 1,688,748**	**$ 1,154,943**	**$ 478,667**	**$ 101,090**
Capital Recovery		$ 312,500	$ 312,500	$ 312,500	$ 312,500	**$ 1,250,000**	**$ 1,250,000**	**$ 1,250,000**	**$ 1,250,000**	**$ 1,250,000**	**$ 1,250,000**
Bond Premiums		$ 574,406	$ 574,406	$ 574,406	$ 574,406	**$ 2,297,622**	**$ 2,282,906**	**$ 2,259,430**	**$ 1,533,664**	**$ 1,533,664**	**$ 1,533,664**
Bond Reduction Incentive		$ -	$ -	$ -	$ -	**$ -**	**$ 1,472**	**$ 2,348**	**$ 72,577**	**$ -**	**$ -**
Subtotal Indirect Costs		**$ 1,436,691**	**$ 1,520,264**	**$ 1,459,901**	**$ 1,283,793**	**$ 5,700,649**	**$ 5,797,172**	**$ 5,622,240**	**$ 4,443,318**	**$ 3,705,174**	**$ 3,338,596**
Pre Tax & Royalty Subtotal		**$ 7,343,137**	**$ 8,531,690**	**$ 7,657,149**	**$ 5,124,642**	**$ 28,656,618**	**$ 30,072,548**	**$ 27,717,168**	**$ 19,410,425**	**$ 9,644,553**	**$ 4,232,624**
Taxes, Royalties, Other Costs											
NM Resource Excise Tax		$ 55,074	$ 63,988	$ 57,429	$ 38,435	**$ 214,925**	$ 225,544	$ 207,879	$ 145,578	$ 72,334	$ 31,745
NM Conservation Tax		$ 13,952	$ 16,210	$ 14,549	$ 9,737	**$ 54,448**	$ 57,138	$ 52,663	$ 36,880	$ 18,325	$ 8,042
Sub, Resource & Excise Taxes		$ 69,025	$ 80,198	$ 71,977	$ 48,172	**$ 269,372**	**$ 282,682**	**$ 260,541**	**$ 182,458**	**$ 90,659**	**$ 39,787**
Pre Royalty & GRT Subtotal		$ 7,412,163	$ 8,611,888	$ 7,729,127	$ 5,172,814	**$ 28,925,990**	$ 30,355,229	$ 27,977,710	$ 19,592,883	$ 9,735,212	$ 4,272,410
Coal Royalties		$ 574,650	$ 667,692	$ 599,191	$ 400,976	**$ 2,242,510**	$ 2,353,357	$ 2,168,988	$ 1,518,695	$ 754,149	$ 330,170
Pre GRT Subtotal		$ 7,986,813	$ 9,279,580	$ 8,328,318	$ 5,573,790	**$ 31,168,500**	**$ 32,708,587**	**$ 30,146,698**	**$ 21,111,578**	**$ 10,489,361**	**$ 4,602,581**
New Mexico Gross Receipts Tax		$ 529,126	$ 614,772	$ 551,751	$ 369,264	**$ 2,064,913**	$ 2,166,944	$ 1,997,219	$ 1,398,642	$ 694,920	$ 304,921
Grand Total Westmoreland San Juan		**$ 8,515,939**	**$ 9,894,352**	**$ 8,880,069**	**$ 5,943,053**	**$ 33,233,413**	**$ 34,875,530**	**$ 32,143,917**	**$ 22,510,220**	**$ 11,184,281**	**$ 4,907,502**