

[IPA LETTERHEAD]

_____, 201____

Re: Renewal Offer Letter

[Purchaser Name and Address]

Dear [Purchaser Contact]:

The Power Sales Contract, dated _____, by Intermountain Power Agency (“IPA”) with _____ (the “Purchaser”), as heretofore amended, including the amendments by the Second Amendatory Power Sales Contract, and the other Power Sales Contracts by IPA, as so amended, with other utilities (collectively including Purchaser’s Power Sales Contract, the “Original Power Sales Contracts”) provide for participation by Purchaser and such other utilities (collectively including Purchaser, the “Original Purchasers”) in the Intermountain Power Project (the “Project”). Under Section 33 of the Original Power Sales Contracts IPA agrees to offer (the “Renewal Offer”) to Purchaser and such other Original Purchasers renewal of their participation in the rights and benefits of the Project from and after the expiration on June 15, 2027 (or such later date of termination of the Original Power Sales Contracts that occurs pursuant to Section 26.1 thereof).

This Offer Letter and the terms of the completed form of Offer Acceptance (the “Offer Acceptance”) and the terms of the form of the Renewal Power Sales Contract (the “Renewal Power Sales Contract”), including the form of Agreement for Sale of Renewal Excess Power (the “Excess Renewal Power Sales Agreement”) included as Appendix D to the Renewal Power Sales Contract, which accompany this Offer Letter constitute the initial offer (the “First Round Offer”) by IPA under its Renewal Offer. Such renewal of participation in the Project will be under and pursuant to the Renewal Power Sales Contracts to be entered into by IPA with the Original Purchasers that provide Offer Acceptances of the First Round Offer.

Initially capitalized terms used in this Offer Letter and in the Offer Acceptance which are defined in Section 4 of the Renewal Power Sales Contract shall have the same meanings, respectively, in this Offer Letter and the Offer Acceptance as given such terms in Section 4 of the Renewal Power Sales Contract.

First Round Offer: IPA hereby offers to Purchaser participation, commencing on June 16, 2027 (or such later date following termination of the Original Power Sales Contract that occurs pursuant to Section 26.1 thereof), in the rights and benefits of the Project in proportion to Purchaser’s Original Purchaser Entitlements. Purchaser may accept this First Round Offer, in whole or in part, by completing and executing the Offer Acceptance accompanying this Offer Letter. Purchaser should set forth in the space provided in the Offer Acceptance (i) the Generation Entitlement Share that is accepted by Purchaser which may be equal to (but not exceed) its Generation Entitlement Share under its Original Power Sales Contract or may be a specified portion of such Generation Entitlement Share, (ii) the Generation Cost Share accepted by Purchaser which shall be the same percentage as the Generation Entitlement Share set forth pursuant to (i) above, and (iii) Purchaser’s Point of Delivery (consistent with Section 9.9 of the

Renewal Power Sales Contract). Purchaser's Transmission Cost Share will be calculated as provided under the Renewal Power Sales Contract by dividing the Generation Entitlement Share as set forth by Purchaser pursuant to (i) above that is to be delivered at the Point of Delivery set forth pursuant to (iii) above, by the aggregate of all Generation Entitlement Shares specified in the Offer Acceptances of Purchaser and the other Original Purchasers to be delivered at such Point of Delivery. The completed Offer Acceptance of Purchaser shall be duly authorized and executed by Purchaser, shall have received any and all Regulatory Contract Approvals and shall be submitted to IPA by _____, 201____ or any extension thereof by IPA (the "First Round Offer Acceptance Date"), all in accordance with Section 26 of the Renewal Power Sales Contract.

Any portion of Purchaser's Original Purchaser Entitlements not accepted by Purchaser by its Offer Acceptance of the First Round Offer shall become part of the Orphan Original Purchaser Entitlements under the Renewal Power Sales Contracts. If Purchaser does not timely respond to this First Round Offer, or if Purchaser responds by rejecting in writing its entire Original Purchaser Entitlement, all Purchaser's Original Purchaser Entitlements shall become part of the Orphan Original Purchaser Entitlements, and Purchaser will be deemed to have rejected the Renewal Offer and shall have no further right to participate in the Renewal Offer.

As set forth in the Offer Acceptance, the Renewal Offer process will conclude with no further offers being made in the event Offer Acceptances of the First Round Offer result in the Renewal Power Sales Contracts by IPA with Purchaser and the other Original Purchasers becoming fully effective for one hundred percent (100%) of the Generation Entitlement Shares, Generation Cost Shares and the applicable Transmission Cost Shares of the Project, all as provided in the Offer Acceptance and in Section 26.2.2 of the Renewal Power Sales Contract. In the event, however, that the First Round Offer does not result in such Offer Acceptances, the Renewal Offer will continue with the Second Round Offer under which IPA will provide (i) that (a) the Utah Committed Purchasers shall have the right to provide to IPA a Utah Orphan Entitlement Allocation Document within 45 days following the date on which IPA provides its Offer Letter for the Second Round Offer, and (b) if the Utah Committed Original Purchasers fail to provide to IPA such a Utah Orphan Entitlement Allocation Document, such remaining Utah Orphan Purchaser Entitlements shall then be offered to each of the Utah Committed Original Purchasers as provided under Section 26.3.1.1 of the Renewal Power Sales Contracts, and (ii) that (a) the California Committed Purchasers shall have the right to provide to IPA a California Orphan Entitlement Allocation Document within 45 days following the date on which IPA provides its Offer Letter for the Second Round Offer, and (b) if the California Committed Original Purchasers fail to provide to IPA such a California Orphan Entitlement Allocation Document, such remaining California Orphan Original Purchaser Entitlements shall then be offered to each of the California Committed Original Purchasers as provided under Section 26.3.1.2 of the Renewal Power Sales Contracts. In the event, however, that the Second Round Offer does not result in Offer Acceptances for at least eighty-five percent (85%) of the aggregate Original Purchaser Entitlements, the Renewal Offer will continue with the Final Offer in accordance with Section 26.4 of the Renewal Power Sales Contracts.

The same offer as provided in this Offer Letter is being extended to each of the other Original Purchasers.

Upon the Renewal Power Sales Contracts becoming fully effective, each Utah Purchaser accepting this First Round Offer pursuant to an Offer Acceptance that elects to enter into the Excess Renewal Power Sales Agreement should furnish IPA with a notice of its election in accordance with Section 26.6.1 of the Renewal Power Sales Contracts. Los Angeles, as well as each of the other California Purchasers accepting this Renewal Offer that elects to enter into the Excess Renewal Power Sales Agreement, should furnish IPA with a notice of its election in accordance with Section 26.6.1 of the Renewal Power Sales Contracts.

If you have questions regarding this Renewal Offer or would like to discuss any of the terms and provisions of the Offer Acceptance or Renewal Power Sales Contract, please contact us and we will put you in contact with the appropriate person to address those matters.

INTERMOUNTAIN POWER AGENCY

By: _____

Its: _____