



HEBER LIGHT & POWER COMPANY

31 S 100 W
Heber City, UT 84032

BOARD MEETING NOTICE & AGENDA

Date: **November 19, 2025**

4:00 pm Board Meeting

6:00 pm Public Hearing on 2026 Bonds

6:20 pm Public Hearing on Impact Fee & Capital Plan

**7:00 pm Public Hearing 2026 Capital & Operating
Budget**

Location: **Heber Light & Power**
31 S 100 W, Heber City, UT

Board of Directors:

Heber City Mayor – Heidi Franco

Midway City Rep. – Kevin Payne

Charleston Town Mayor - Brenda Christensen

Wasatch County Council Rep. - Kendall Crittenden

Heber City Council Rep. – Sid Ostergaard

Heber City Council Rep. – Aaron Cheatwood

Zoom Link: https://heberpower.zoom.us/webinar/register/WN_0b4ZXOPtReyWEAXCYUTY5A

AGENDA

1. Approval of Consent Agenda:
 - October 22, 2025, Board Meeting Minutes
 - October 2025 Financial Statement
 - October 2025 Warrants
2. Discussion and possible approval of a change to Organization Agreement regarding the dividend calculation Resolution 2025-09 (Adam Long)
3. Approval of the 2026-2030 Strategic Plan (Jason Norlen)
4. Wholesale Power Report (Emily Brandt)
5. GM Report
 - UAMPS Report
 - IPA Update
 - Building Update

6:00 pm Public Hearing on 2026 Bonds

6:20 pm Public Hearing on Impact Fee Enactment and Capital Facilities Plan

7:00 pm Public Hearing on 2026 Capital and Operating Budget and Fee Schedule

6. Approval of Resolution 2025-08 approving the Preliminary Official Statement for the sale of Electric Revenue Bonds Series 2026
7. Approval of change in Impact Fee Enactment
8. Approval of 2026 Capital and Operating Budget and Fee Schedule

Agenda Item 1: Consent Agenda Board Minutes



Board Meeting November 19, 2025



HEBER LIGHT & POWER COMPANY

31 South 100 West
Heber City, Utah 84032

BOARD MEETING

October 22, 2025

The Board of Directors of Heber Light & Power met on October 22, 2025, at 4:00 pm at the Heber Light & Power Business Office, 31 S 100 W, Heber City, Utah.

Board Member Attendance: Board Chair – Heidi Franco: Present
Director – Kevin Payne: Present
Director – Brenda Christensen: Present
Director – Sid Ostergaard: Present
Director – Aaron Cheatwood: Present
Director – Kendall Crittenden: Present

Others Present: Jason Norlen, Bart Miller, Adam Long, Patricio Hernandez, Emily Brandt, Colby Houghton, Rylee Allen, Josh Gustin, Riley Wright, Shawn Taylor, Luara Lewis, and Randy Larsen.

Chair Franco welcomed those in attendance.

1. Consent agenda - approval of a) September 24, 2025, board minutes, b) September 2025 Financial Statements, c) September 2025 Warrants. Director Franco asked for a motion to include agenda item 4 HLP surplus items in the Consent agenda and approval.
Motion. Director Crittenden has moved to include agenda item 4 in the consent agenda and approve the consent agenda.
Director Payne seconded the motion. The motion carried with the following vote:

Board Chair – Heidi Franco: Approve
Director – Kevin Payne: Approve
Director – Brenda Christensen: Approve
Director – Sid Ostergaard: Approve
Director – Aaron Cheatwood: Not Present
Director – Kendall Crittenden: Approve
2. Discussion on Preliminary Impact Fee Study. Jason Norlen presented an overview of what will be addressed in the upcoming public hearing regarding impact fees. Following the completion of the recent study, it was determined that impact fees could be increased by 2.5 percent. Jason further explained that the increase is based on the average cost of a residential unit and the contributing value of that unit, noting that impact fees are primarily residential driven. During the meeting, Aaron Cheatwood entered. The current average impact fee for a 200-amp residential service is \$6,744 and is proposed to increase to \$6,911. For comparison, the average U.S. impact fee for a 200-amp service is \$3,937. It was also noted that not all cities are residential driven, as some

combine utilities and other services within their impact fee structures. A public hearing will be held on November 19, 2025 to review and consider the proposed impact fee increase.

3. Review and Possible Approval of Resolution 2025-06. Laura Lewis presented information regarding bonds, explaining that as bondholders, the organization must maintain net revenue even in the event of insufficient revenues. If adopted, the authorization would allow bond representatives to make financial decisions moving forward, with a maximum bond amount of \$28 million, a maturity of up to 31 years, and a maximum interest rate of 6.5%. Due to the organization's A+ rating, bond insurance was secured. Bart provided a breakdown of the projected bond allocation, which includes funding for the Plant 1 Replacement, Gas Plant Upgrade, Midway Substation, Daniels Canyon Substation, North Dam Substation, and a new office building. The \$28 million cap provides flexibility for project adjustments while remaining consistent with the current capital plan.
Some project costs may be reduced or delayed as more information becomes available, and HLP will need to acquire additional land for a substation. Bart also discussed potential financial shifts that could increase or decrease costs, noting that these changes could account for the \$10 million shortfall projected in the overall plan.

Motion: Director Crittenden moved to approve the parameters of Bond Resolution 2025-06. Director Cheatwood seconded the motion. The motion carried with the following vote:

Board Chair – Heidi Franco: Approve
Director – Kevin Payne: Approve
Director – Brenda Christensen: Approve
Director – Aaron Cheatwood: Approve
Director – Kendall Crittenden: Approve
Director – Sid Ostergaard: Approve

4. Review and Possible Approval of HLP Surplus items. Moved to Consent Agenda.

Aaron Cheatwood left the meeting.

5. Review and Possible Approval of Integrated Resource Plan. Emily Brandt reported that there were no significant changes from last month. To date, 26 surveys from the public have been received, indicating that respondents did not favor a higher amount for the portfolio. She noted that this approach helps meet requirements while maintaining costs at a reasonable level. Emily also reviewed the revenue amounts generated by the portfolio.

Motion: Director Payne moved to accept the Integrated Plan. Director Christensen seconded the motion. The motion carried with the following vote:

Board Chair – Heidi Franco: Approve
Director – Kevin Payne: Approve
Director – Brenda Christensen: Approve
Director – Aaron Cheatwood: Not Present
Director – Kendall Crittenden: Approve
Director – Sid Ostergaard: Approve

6. Wholesale Power Report. Emily reported that HLP is currently 4% under budget for the month. She also noted that energy usage is up by 1%, and the system is operating 9% above the previous peak levels.

7.

Discussion and Approval of Budget Directives. Bart Miller met with the board to discuss potential items to be added to the upcoming budget. He noted that HLP generally prioritizes hiring from within rather than recruiting externally. Bart reviewed the estimated cost-of-living adjustment from the government, projecting a 2.9% increase, while HLP typically applies a 3% wage increase, with some employees receiving more or less depending on performance. Wages and benefits are included in the budget, with employee medical costs expected to increase by 10% and dental by 4%, while stipends will remain unchanged. The capital plan includes upgrades to support growth and coordination with CIAC, as well as potential energy efficiency improvements, including streetlight replacements. Bart also highlighted the company's strong rebate programs and ongoing employee training initiatives, including reimbursement for schooling for some employees. Streetlight forgiveness will be budgeted, along with contingency planning, and insurance premiums are expected to rise by approximately 3%. Clothing allowances will remain the same, while tree trimming costs are anticipated to increase due to higher demand and new UAMPS vegetation policies. HLP plans to begin tree clearance in Midway next year, maintaining a 10-foot clearance, with a detailed map to be presented at the next meeting. Staffing considerations include two employees reaching 30 years of service in 2026 and potential additions for up to five new positions in the budget.

Motion: Director Crittenden moved to approve of budget directives. Director Ostergaard seconded the motion. The motion carried with the following vote:

Board Chair – Heidi Franco: Approve
Director – Kevin Payne: Approve
Director – Brenda Christensen: Approve
Director – Aaron Cheatwood: Not Present
Director – Kendall Crittenden: Approve
Director – Sid Ostergaard: Approve

8.

Discussion on Preliminary Budget. Bart reviewed the proposed rates for 2026, noting that there have been no changes from last year. He referenced the rates approved in April 2025, which will remain in effect through September 2026. Residential pumping rates will transition from standard to time-of-use (TOU), with all customers being opted in by September 2026; cycle 1 will convert to TOU while cycle 2 remains on the current schedule. HLP is considering moving from two to four billing cycles. Potential additions to rebate programs were also discussed. Bart emphasized his goal of presenting the budget in the format preferred by the board, including 2024 actuals, 2025 budget, 2026 forecast, and 2026 proposed budget. Gas generation is projected at approximately \$2.3 million, with total energy costs of \$17.4 million, compared to \$11 million last year (numbers to be verified), and an increase of about \$800,000 in power purchases. Jason explained that changes in the EDAM market billing process create some uncertainty, though HLP can manage loads through internal generation to maintain control over the top portion of the portfolio. Overall, the organization remains on track to stay within budget. Bart also reviewed items scheduled to depreciate over the next few years.

9.

Review and Possible Approval of Changes to Employees Handbook for On Call Pay. Jason Norlen reported that HLP has not adjusted on-call pay in over 10 years, and during annual meetings with employees, concerns regarding on-call compensation were frequently raised. HLP is proposing to increase the on-call stipend from \$300 to \$400 per week. The previous three-hour

minimum would be eliminated, and employees would receive time-and-a-half pay immediately upon being called out. Employees remain on call for one-week periods, following established rules and guidelines for linemen. Under the new proposal, the \$400 stipend would be paid regardless of calls, with additional time-and-a-half compensation applied for any call-outs.

Motion: Director Christensen moved to approve on-call pay increase to \$400 per week and to eliminate the three-hour minimum pay requirement. Director Christensen seconded the motion. The motion carried with the following vote:

Board Chair – Heidi Franco: Approve
Director – Kevin Payne: Approve
Director – Brenda Christensen: Approve
Director – Aaron Cheatwood: Not Present
Director – Kendall Crittenden: Approve
Director – Sid Ostergaard: Approve

10. GM Report

UAMPS Report. Jason Norlen reported that UAMPS are continuing to pursue all program requirements but are not interested in the “all-in requirement” program as it has been presented so far. Updates on government public affairs were provided, noting that while government shutdowns have not stopped power projects, they have caused some delays. HLP also discussed efforts to address regulatory concerns, including the Fixing America’s Surface Transportation (FAST) Act, with the power industry supporting revisions to reduce overregulation of transmission line routes and improve industry practices. The Millard County peaking project near Holden, Utah, is progressing, with staff working with nearby residents and preparing an RFP for materials. Additionally, HLP has a draft of the current pooling agreement and is reviewing its compatibility with the Energy Day-Ahead Market agreement, with the item likely to be placed on the agenda for the next meeting.

IPA Update. Jason reported that the IPA Unit 3, the gas unit, has reached its finish line, though it has not yet been fully turned over; it is expected to be operational and running well by November. Unit 4 is currently online and undergoing its commissioning process, with full operation anticipated in early December. The coal unit is scheduled to conclude operations on November 26. Additionally, the recent audit was completed with no findings, indicating a clean result.

Building Update. Jason gave an update on the HLP building, the interior and select exterior painting is underway as needed. Power to the panel is nearly complete, with only a few circuits remaining. The gas line transfer has been completed. The board is welcome to tour the facility at any time. Once power to the panel is fully established, the elevator installation will proceed.

Chair Franco asked for a motion to adjourn the meeting.

Motion: Director Crittenden moved to adjourn the meeting. Director Payne seconded the motion. The motion carried with the following vote:

Board Chair – Heidi Franco: Approve
Director – Kevin Payne: Approve
Director – Brenda Christensen: Approve
Director – Aaron Cheatwood: Not Present
Director – Kendall Crittenden: Approve
Director – Sid Ostergaard: Approve

Meeting adjourned.

Rylee Allen
Board Secretary

Agenda Item 1: Financial Statements



Board Meeting Novemeber 19,2025

Heber Light & Power
TRENDS AT A GLANCE - Financial Summary
Year To Date October 31, 2025

		12/31/21	12/31/22	12/31/23	12/31/24	YTD 10/31/25	YTD Budget	Annual Budget
1	Total Customers	13,682	14,181	15,078	15,757	16,401		
2	Customer Growth	3.85%	3.65%	6.33%	4.50%	4.09%		
3	Cash and Investments (Operating)	369,478	(280,982)	1,029,003	1,264,329	(846,442)		20,427,450
4	Cash and Investments (Operating Reserves)	3,531,800	6,913,764	5,172,668	13,672,059	4,920,715		8,011,509
5	Days cash on hand	82	109	100	202	52		120
6	Cash and Investments Restricted	18,152,483	9,925,319	23,152,516	8,282,790	4,807,791		
7	Net Capital Assets	48,024,733	59,655,315	81,055,577	94,925,367	116,104,025		
8	Total Assets	77,162,287	86,592,269	125,205,376	133,634,112	145,611,653		
9	Total Liabilities	26,703,304	30,764,597	61,018,562	57,821,713	57,684,470		
10	Net Position (Equity)	50,531,782	54,998,754	64,186,815	75,812,399	87,927,184		
11	Operating Revenues	21,420,515	23,077,390	25,991,779	27,466,150	27,925,519	22,929,716	29,180,901
12	Operating Expenses	20,057,173	25,223,257	26,165,610	29,474,699	26,590,747	23,879,739	32,134,076
13	Operating Income	1,363,342	(2,145,867)	(173,831)	(2,008,550)	1,334,772	(950,022)	(2,953,175)
13a	Operating Income less Depreciation	4,069,767	858,571	3,224,640	2,447,104	5,137,781	2,138,132	1,652,599
14	Impact Fees	2,387,447	3,195,068	4,142,767	4,865,618	3,924,748	2,500,000	3,000,000
14a	Impact Fees Paid	745	692	609	696	489		
15	Contributions (CIAC)	6,100,580	4,056,099	5,472,934	9,437,873	6,136,423	2,500,000	3,000,000
16	Restricted Net Assets CIAC	1,143,545	1,121,123	1,643,529	1,706,032	2,486,330		
17	Inventory	3,757,132	4,430,810	6,406,955	8,484,856	12,247,500		
18	CIAC Inventory included in line 18	2,255,274	2,992,759	3,716,034	4,921,217	7,103,550		
19	Distributions	300,000	300,000	75,000	0	0	0	0
20	Change In Net Position (Net Income)	9,059,325	4,466,972	9,113,065	9,085,309	8,910,913	1,564,948	64,789
22	Net Cash Provided by Operating Activities	2,021,413	3,847,915	(2,586,448)	1,209,698			
23	Debt Service	1,615,023	1,625,499	1,326,952	3,209,632	2,485,030	2,485,030	2,982,036
24	Leverage Ratio	6.2	9.7	10.9	8.8			<8.0
25	Affordability Rate	1.30%	0.96%	1.01%	0.98%			<2.5%
26	Debt Service Coverage Ratio	4.05 / 2.57	2.66 / 0.7	6.81 / 3.69	2.75 / 1.24	4.08 / 2.5		>1.25
27	Payroll, Benefits, Taxes	5,641,900	6,392,193	7,258,341	7,863,272	6,926,884	6,886,412	8,138,487
28	Rates/Rate Increases	2.0%	5.5%	5.5%	5.5%	13.1%	0.0%	0.0%
29	Energy Supply (MWh)	207,035	215,711	220,434	236,708	207,447		248,543
30	Energy Sales (MWh)	193,144	201,380	206,013	221,222	193,736		232,283
31	Energy Growth	3.11%	4.19%	2.19%	6.87%	6.41%		5.00%
32	Sales Growth	3.39%	4.26%	2.30%	6.87%	4.79%		5.00%
33	MW usage/Coincident Peak	47	49	52	53	53		
34	Overall System Capacity	50	50	50	100	100		
35	System Age Percentage	48%	44%	45%	36%	36%		< 55%
36	Total Capital Budget Expenditures	7,573,059	9,429,982	34,581,872	23,289,398	28,784,678		38,866,000

Notes

- 1 (EMMA - SEC Summary posted on EMMA website. PB Bart)
- 2 (percent calculation of year to year increase on line 1)
- 3 (10/31 FS pkg. pg 1. - line 3 and line 4 add together to arrive at Cash and investments deposited in unrestricted accounts. Annual budget is min recommendation by UFS.)
- 4 (10/31 FS pkg. pg 1.- line 3 and line 4 add together to arrive at Cash and investments deposited in unrestricted accounts. Board requires no less than 91 days in reserve.)
- 5 (FITCH requirement/Bart calculation-target 115-150 to be in a better position for potential financing) Days of cash on hand is calculated by dividing unrestricted cash and cash. equivalents by the system's average daily cost of operations, excluding depreciation (annual operating expenses, excluding depreciation, divided by 365). Current Cash Reserve Policy is minimum 91 days.
- 6 (10/31 FS pkg. pg 1. Restricted cash and investments, namely Bond Funds, Escrow Payments, and CIAC amounts. Annual budget is min recommendation by UFS.)
- 7 (10/31/FS pkg. pg 1)
- 8 (10/31/FS pkg. pg 1)
- 9 (10/31/FS pkg. pg 1)
- 10 (10/31/FS pkg. pg 1 - Net Position reflects total assets less total liabilities)
- 11 (10/31/FS pkg. pg 4)
- 12 (10/31/FS pkg. pg 4)
- 13 (10/31/FS pkg. pg 4 Operating Revenues less Operating Expenses)
- 13a (10/31/FS pkg. pg 4 Operating Revenues less Operating Expenses plus Depreciation Expense)
- 14 (10/31/FS pkg. pg 4 - Impact Fees Revenue brought in during the year.)
- 14a (10/31/Miscellaneous Charge Activity Report)
- 15 (10/31/FS pkg. pg 4 - CIAC Revenue brought in during the year.)
- 16 (CIAC received but project not completed.)
- 17 (10/31 FS pkg. Pg. 1, pg 10,)
- 18 (10/31 FS pkg. Pg. 1, pg 10)
- 19 (10/31 FS pkg. Pg. 4 Distributions to Owners)
- 20 (10/31 FS pkg. Pg. 4 Bottom Line including all income and expenses including CIAC, Impact Fees and Debt Service.)
- 22 (Audit Statement of Cash Flows provided annually with audit - Target from UFS)
- 23 $\text{GenSet Lease } (164,308.29) + 2012 \text{ DS } (104,000) + 2019\text{DS } (1,092,750) + 2023\text{DS } (2,121,000) - 2019\text{Premium } (269,807) - 2023\text{Premium } (230,215)$
- 24 (FITCH calculation - should be no higher than 8.0 - Net Adjusted Debt divided by Adjusted FADs for Leverage)
- 25 (Ability for customers to pay the HLP bill) $\text{Avg Res Cost of Electric}(\text{Annualized Res Rev}/\text{Customer Count})/\text{Median Household Income (US Census Bureau)}$
- 26 Bond covenants require 1.25 - First Value Formula: $(\text{Income} + \text{Dep} + \text{Int Inc} + \text{Imp Fee Rev})/(\text{Total debt})$ Second Value Formula: $(\text{Income} + \text{Dep} + \text{Int Inc})/(\text{Total debt})$
- 27 (Bart - Gross wages, total benefits, payroll taxes)(**Employee Totals Report**)
- 28 (Board approved annual rate increases.)
- 29 (EMMA - SEC Summary posted on EMMA website. PB Bart)
- 30 (EMMA - SEC Summary posted on EMMA website. PB Bart)
- 31 5.47% over all years average 1.39%/Year (2025 reflects the October 2025 to the October 2024)
- 32 (calculated % Energy sales growth from year to year) (2025 reflects the October 2025 to the October 2024)
- 33 System peak on the year
- 34 (System capacity based upon all available resources.)
- 35 Average Age of System Assets (Accumulated Depreciation/Book Value)
- 36 Annual Expenditures on Capital Assets (Includes costs captured in CWIP plus unitized assets)



HEBER LIGHT & POWER COMPANY

Statement of Net Position

October 31, 2025 and 2024

	2025	2024	Variance	% Change
ASSETS				
Current Assets:				
Cash and Investments	4,074,273.13	15,471,388.85	(11,397,115.72)	-74%
Restricted Cash and Investments	4,807,790.83	11,972,443.35	(7,164,652.52)	-60%
AR(Net of Doubtful Accounts)	2,420,079.10	1,818,214.12	601,864.98	33%
Unbilled Receivables	1,707,944.98	1,675,159.07	32,785.91	2%
Prepaid Expenses	1,861,835.02	1,212,533.75	649,301.27	54%
Material Inventory	12,247,500.23	8,368,167.85	3,879,332.38	46%
Other Current Assets	191,071.91	86,111.67	104,960.24	122%
<i>Total Current Assets</i>	<i>27,310,495.20</i>	<i>40,604,018.66</i>	<i>(13,293,523.46)</i>	<i>-33%</i>
Capital Assets:				
Land, CWIP & Water Rights	32,969,744.85	36,900,692.84	(3,930,947.99)	-11%
Depreciable (net of Accum Depreciation)	83,134,280.46	56,214,050.59	26,920,229.87	48%
<i>Net Capital Assets</i>	<i>116,104,025.31</i>	<i>93,114,743.43</i>	<i>22,989,281.88</i>	<i>25%</i>
TOTAL ASSETS	143,414,520.51	133,718,762.09	9,695,758.42	7%
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related	2,197,132.87	1,790,995.65	406,137.22	23%
TOTAL DEFERRED OUTFLOWS	2,197,132.87	1,790,995.65	406,137.22	23%
LIABILITIES				
Current Liabilities:				
Accounts Payable	894,814.94	2,659,215.97	(1,764,401.03)	-66%
Accrued Expenses	2,225,118.15	960,509.35	1,264,608.80	132%
Related Party Payable	461,672.75	358,883.18	102,789.57	29%
Current Portion of LTD	1,785,324.65	1,962,618.06	(177,293.41)	-9%
<i>Total Current Liabilities</i>	<i>5,366,930.49</i>	<i>5,941,226.56</i>	<i>(574,296.07)</i>	<i>-10%</i>
Non-Current Liabilities:				
Revenue Bonds Payable	43,359,675.35	44,522,381.94	(1,162,706.59)	-3%
Bond Premium	4,729,397.60	5,247,293.60	(517,896.00)	-10%
Capital Lease Obligations	615,001.53	758,858.58	(143,857.05)	-19%
Compensated Absences	1,436,232.10	1,355,655.85	80,576.25	6%
Early Retirement Incentive	140,131.74	129,666.71	10,465.03	8%
Contract Payable	1,199,436.00	1,189,196.00	10,240.00	1%
Net Pension Liability	837,664.95	562,402.00	275,262.95	49%
<i>Total Non-Current Liabilities</i>	<i>52,317,539.27</i>	<i>53,765,454.68</i>	<i>(1,447,915.41)</i>	<i>-3%</i>
TOTAL LIABILITIES	57,684,469.76	59,706,681.24	(2,022,211.48)	-3%
DEFERRED INFLOWS OF RESOURCES				
Pension Related	9,227.65	9,420.00	(192.35)	-2%
TOTAL DEFERRED INFLOWS	9,227.65	9,420.00	(192.35)	-2%
NET POSITION				
Net Investment in Capital Assets	97,861,987.28	73,943,965.76	23,918,021.52	32%
Restricted for Capital Projects	4,648,188.68	3,764,548.46	883,640.22	23%
Unrestricted	(14,592,219.99)	(1,914,857.72)	(12,677,362.27)	662%
TOTAL NET POSITION	87,917,955.97	75,793,656.50	12,124,299.47	16%



HEBER LIGHT & POWER COMPANY
Statement of Net Position
October 31, 2025 and 2024

	2025	2024	Variance	% Change
ASSETS				
Current Assets:				
<u>Cash and Investments</u>	<u>4,074,273.13</u>	<u>15,471,388.85</u>	<u>(11,397,115.72)</u>	<u>-74%</u>
130.00 - Cash on Hand	212.83	212.83	-	0%
131.00 - Cash - General	(1,801,734.10)	(196,607.54)	(1,605,126.56)	816%
131.20 - Cash - Vehicle Reserve	774,239.56	702,028.23	72,211.33	10%
131.98 - Cash - Sweep	949,444.02	550,421.32	399,022.70	72%
131.99 - Cash - Clearing	5,635.02	9,755.56	(4,120.54)	-42%
134.00 - PTIF - Reserve	3,971,114.33	14,237,976.45	(10,266,862.12)	-72%
134.01 - PTIF - Self-Insurance	176,085.78	168,326.31	7,759.47	5%
134.10 - PTIF - Valuation	(724.31)	(724.31)	-	0%
<u>Restricted Cash and Investments</u>	<u>4,807,790.83</u>	<u>11,972,443.35</u>	<u>(7,164,652.52)</u>	<u>-60%</u>
131.30 - Impact Fee	6,790.42	13,547.52	(6,757.10)	-50%
134.02 - PTIF - CIAC Holding	2,619,772.85	3,467,795.05	(848,022.20)	-24%
136.20 - 2012 Debt Service Escrow	96,808.32	316,182.18	(219,373.86)	-69%
136.50 - 2019 Project Fund	-	-	-	100%
136.51 - 2023 Project Fund	26,159.12	6,548,585.70	(6,522,426.58)	-100%
136.60 - 2019 Debt Service Escrow	647,199.13	571,329.36	75,869.77	13%
136.61 - 2023 Debt Service Escrow	1,411,060.99	1,055,003.54	356,057.45	34%
<u>AR(Net of Doubtful Accounts)</u>	<u>2,420,079.10</u>	<u>1,818,214.12</u>	<u>601,864.98</u>	<u>33%</u>
142.00 - Accounts Receivable	2,298,382.44	1,707,051.40	591,331.04	35%
142.10 - Jordanelle Receivable	83,291.96	98,986.36	(15,694.40)	-16%
144.00 - Allowance for Doubtful Accounts	(154,099.46)	(288,548.62)	134,449.16	-47%
144.10 - Factored Doubtful Accounts	192,504.16	300,724.98	(108,220.82)	-36%
<u>Unbilled Receivables</u>	<u>1,707,944.98</u>	<u>1,675,159.07</u>	<u>32,785.91</u>	<u>2%</u>
142.98 - Unbilled Accounts Receivable	1,707,944.98	1,675,159.07	32,785.91	2%
<u>Prepaid Expenses</u>	<u>1,861,835.02</u>	<u>1,212,533.75</u>	<u>649,301.27</u>	<u>54%</u>
165.00 - Prepaid Expenses	495,086.48	523,472.24	(28,385.76)	-5%
165.10 - Unearned Leave	1,366,748.54	689,061.51	677,687.03	100%
<u>Material Inventory</u>	<u>12,247,500.23</u>	<u>8,368,167.85</u>	<u>3,879,332.38</u>	<u>46%</u>
154.00 - Material Inventory	12,247,500.23	8,368,167.85	3,879,332.38	46%
<u>Other Current Assets</u>	<u>191,071.91</u>	<u>86,111.67</u>	<u>104,960.24</u>	<u>122%</u>
142.99 - CIS Clearing	-	-	-	100%
143.00 - Miscellaneous Receivables	191,071.91	86,111.67	104,960.24	122%
<i>Total Current Assets</i>	<i>27,310,495.20</i>	<i>40,604,018.66</i>	<i>(13,293,523.46)</i>	<i>-33%</i>
Capital Assets:				
<u>Land, CWIP & Water Rights</u>	<u>32,969,744.85</u>	<u>36,900,692.84</u>	<u>(3,930,947.99)</u>	<u>-11%</u>
107.00 - Construction in Progress	24,866,055.16	31,970,214.14	(7,104,158.98)	-22%
389.00 - Land	7,448,510.02	4,300,103.70	3,148,406.32	73%
399.00 - Water Rights	655,179.67	630,375.00	24,804.67	4%
<u>Depreciable (net of Accumulated Depreciation)</u>	<u>83,134,280.46</u>	<u>56,214,050.59</u>	<u>26,920,229.87</u>	<u>48%</u>
108.00 - Accumlated Depreciation	(50,299,287.21)	(45,113,531.07)	(5,185,756.14)	11%
331.00 - Witt Power Plant	2,776,919.57	2,776,919.57	-	0%
332.00 - Generation Plant - Hydro	250,065.63	250,065.63	-	0%
334.00 - Generation Plant - Natural Gas	11,167,970.49	8,657,988.78	2,509,981.71	29%
361.00 - Lines	77,943,606.31	72,183,532.33	5,760,073.98	8%
362.00 - Substations	25,446,852.19	3,762,911.26	21,683,940.93	576%
368.00 - Transformers	19,869.84	19,869.84	-	0%
370.00 - Metering Assets	1,045,195.61	978,895.71	66,299.90	7%
390.00 - Buildings	3,795,029.37	3,795,029.37	-	0%
391.00 - Office Building Assets	355,813.73	355,813.73	-	0%
392.00 - Trucks and Motor Vehicles	5,939,306.57	4,354,816.16	1,584,490.41	36%
394.00 - Machinery, Equipment & Tools	2,846,722.82	2,491,542.29	355,180.53	14%
397.00 - Technology/Office Equipment	1,846,215.54	1,700,196.99	146,018.55	9%
<i>Net Capital Assets</i>	<i>116,104,025.31</i>	<i>93,114,743.43</i>	<i>22,989,281.88</i>	<i>25%</i>
TOTAL ASSETS	143,414,520.51	133,718,762.09	9,695,758.42	7%
DEFERRED OUTFLOWS OF RESOURCES				
<u>Pension Related</u>	<u>2,197,132.87</u>	<u>1,790,995.65</u>	<u>406,137.22</u>	<u>23%</u>
134.20 - Net Pension Asset	-	-	-	100%
134.30 - Deferred Outflows of Resources	2,197,132.87	1,790,995.65	406,137.22	23%
TOTAL DEFERRED OUTFLOWS	2,197,132.87	1,790,995.65	406,137.22	23%



HEBER LIGHT & POWER COMPANY
Statement of Net Position
October 31, 2025 and 2024

	2025	2024	Variance	% Change
LIABILITIES				
Current Liabilities:				
Accounts Payable	894,814.94	2,659,215.97	(1,764,401.03)	-66%
232.00 - Accounts Payable	894,814.94	2,659,215.97	(1,764,401.03)	-66%
Accrued Expenses	2,225,118.15	960,509.35	1,264,608.80	132%
232.98 - Accrued Liabilities	2,002,810.54	849,968.79	1,152,841.75	136%
232.99 - Uninvoiced Materials	57,921.44	11,515.94	46,405.50	403%
235.10 - Customer Deposits	1,150.00	1,205.00	(55.00)	-5%
241.00 - Sales Tax Payable	132,772.09	68,808.72	63,963.37	93%
241.10 - Federal Withholding Payable	-	-	-	100%
241.20 - State Withholding Payable	29,185.44	27,033.26	2,152.18	8%
242.10 - Accrued Wages Payable	-	-	-	100%
242.40 - Salary Deferral	(445.20)	(445.20)	-	0%
242.99 - Payroll Clearing	3,365.62	3,365.62	-	0%
243.00 - HSA Employee Deferral	(1,641.78)	(942.78)	(699.00)	74%
Related Party Payable	461,672.75	358,883.18	102,789.57	29%
241.30 - Franchise Tax - Heber	314,136.74	244,296.66	69,840.08	29%
241.40 - Franchise Tax - Midway	114,240.84	88,132.25	26,108.59	30%
241.50 - Franchise Tax - Charleston	16,574.87	13,264.58	3,310.29	25%
241.60 - Franchise Tax - Daniel	16,720.30	13,189.69	3,530.61	27%
Current Portion of LTD	1,785,324.65	1,962,618.06	(177,293.41)	-9%
242.50 - Current Portion of LTD	1,785,324.65	1,962,618.06	(177,293.41)	-9%
Total Current Liabilities	5,366,930.49	5,941,226.56	(574,296.07)	-10%
Non-Current Liabilities:				
Revenue Bonds Payable	43,359,675.35	44,522,381.94	(1,162,706.59)	-3%
221.10 - 2012 Bonds Principal	100,000.00	450,000.00	(350,000.00)	-78%
221.20 - 2019 Bonds Principal	16,625,000.00	16,965,000.00	(340,000.00)	-2%
221.21 - 2023 Bonds Principal	28,420,000.00	29,070,000.00	(650,000.00)	-2%
242.60 - Current Portion of LTD	(1,785,324.65)	(1,962,618.06)	177,293.41	-9%
Bond Premium	4,729,397.60	5,247,293.60	(517,896.00)	-10%
225.00 - 2012 Bond Premium	-	-	-	100%
225.10 - 2019 Bond Premium	1,487,925.15	1,770,341.15	(282,416.00)	-16%
225.11 - 2023 Bond Premium	3,241,472.45	3,476,952.45	(235,480.00)	-7%
Capital Lease Obligations	615,001.53	758,858.58	(143,857.05)	-19%
227.00 - GENSET Capital Lease	615,001.53	758,858.58	(143,857.05)	-19%
Compensated Absences	1,436,232.10	1,355,655.85	80,576.25	6%
242.20 - Accrued Vacation Payable	395,904.85	363,204.31	32,700.54	9%
242.30 - Accrued Sick Payable	1,040,327.25	992,451.54	47,875.71	5%
Early Retirement Incentive	140,131.74	129,666.71	10,465.03	8%
254.00 - Post Employment Liabilities	140,131.74	129,666.71	10,465.03	8%
Contract Payable	1,199,436.00	1,189,196.00	10,240.00	1%
224.00 - CUWCD Debt Payback	1,199,436.00	1,189,196.00	10,240.00	1%
Net Pension Liability	837,664.95	562,402.00	275,262.95	49%
254.10 - Net Pension Liability	837,664.95	562,402.00	275,262.95	49%
Total Non-Current Liabilities	52,317,539.27	53,765,454.68	(1,447,915.41)	-3%
TOTAL LIABILITIES	57,684,469.76	59,706,681.24	(2,022,211.48)	-3%
DEFERRED INFLOWS OF RESOURCES				
Pension Related	9,227.65	9,420.00	(192.35)	-2%
254.20 - Deferred Inflows of Resources	9,227.65	9,420.00	(192.35)	-2%
TOTAL DEFERRED INFLOWS	9,227.65	9,420.00	(192.35)	-2%
NET POSITION				
Net Investment in Capital Assets	97,861,987.28	73,943,965.76	23,918,021.52	32%
Restricted for Capital Projects	4,648,188.68	3,764,548.46	883,640.22	23%
131.30 - Impact Fee	6,790.42	13,547.52	(6,757.10)	-50%
136.20 - 2012 Debt Service Escrow	96,808.32	316,182.18	(219,373.86)	-69%
136.60 - 2019 Debt Service Escrow	647,199.13	571,329.36	75,869.77	13%
136.61 - 2023 Debt Service Escrow	1,411,060.99	1,055,003.54	356,057.45	34%
415.00 - Contributions in Aid	2,486,329.82	1,808,485.86	677,843.96	37%
Unrestricted	(14,592,219.99)	(1,914,857.72)	(12,677,362.27)	662%
TOTAL NET POSITION	87,917,955.97	75,793,656.50	12,124,299.47	16%



HEBER LIGHT & POWER COMPANY
Statements of Revenues, Expenses, and Changes in Net Position
YTD - Periods Ended October 31, 2025 and 2024

	2024 Actual	2025 Actual	2025 Budget	Variance to Budget	% Variance
Operating Revenues:					
Electricity Sales	20,789,776.25	25,778,701.67	22,619,518.00	3,159,183.67	14.0%
Electricity Sales - Jordanelle	1,717,921.80	1,695,886.96	1,373,612.05	322,274.91	23.5%
Connection Fees	155,519.29	138,990.60	155,519.00	(16,528.40)	-10.6%
Other Income	266,499.04	311,939.44	273,536.87	38,402.57	14.0%
<i>Total Operating Revenues</i>	<i>22,929,716.38</i>	<i>27,925,518.67</i>	<i>24,422,185.92</i>	<i>3,503,332.75</i>	<i>14.3%</i>
Operating Expenses:					
Power Purchases	(10,554,728.72)	(12,389,145.61)	(11,215,975.17)	(1,173,170.44)	10.5%
Power Purchases - Jordanelle	(1,719,881.52)	(1,695,887.04)	(1,373,612.05)	(322,274.99)	23.5%
Salaries, Wages and Benefits (Unallocated)	(1,147,108.11)	(1,332,859.33)	(1,272,244.22)	(60,615.11)	4.8%
System Maintenance and Training	(3,761,617.34)	(4,365,677.92)	(3,841,904.28)	(523,773.64)	13.6%
Depreciation (Unallocated)	(3,085,045.23)	(4,198,880.36)	(3,805,735.74)	(393,144.62)	10.3%
Gas Generaton	(2,211,932.84)	(1,608,377.28)	(2,432,808.87)	824,431.59	-33.9%
Other	(306,629.07)	(372,791.29)	(308,429.07)	(64,362.22)	20.9%
Vehicle	(421,794.42)	(602,003.50)	(421,794.42)	(180,209.08)	42.7%
Office	(118,984.52)	(119,596.75)	(133,984.52)	14,387.77	-10.7%
Energy Rebates	(119,411.51)	(100,515.99)	(190,520.00)	90,004.01	-47.2%
Professional Services	(193,265.95)	(253,413.37)	(204,765.95)	(48,647.42)	23.8%
Materials	(206,073.24)	(229,877.81)	(206,073.24)	(23,804.57)	11.6%
Building Expenses	(33,266.11)	(39,141.89)	(33,265.81)	(5,876.08)	17.7%
Bad Debts	-	-	-	-	0.0%
<i>Total Operating Expenses</i>	<i>(23,879,738.58)</i>	<i>(27,308,168.14)</i>	<i>(25,441,113.34)</i>	<i>(1,867,054.80)</i>	<i>7.3%</i>
Operating Income	(950,022.20)	617,350.53	(1,018,927.42)	1,636,277.95	-160.6%
Non-Operating Revenues(Expenses)					
Impact Fees	4,345,481.71	3,924,748.41	2,500,000.00	1,424,748.41	57.0%
Interest Income	1,311,153.40	684,144.35	462,852.37	221,291.98	47.8%
Gain(Loss) on Sale of Capital Assets	(17,600.10)	875,750.00	-	875,750.00	0.0%
Interest Expense	(1,137,350.66)	(1,101,826.24)	(1,137,350.66)	35,524.42	-3.1%
<i>Total Non-Operating Revenues(Expenses)</i>	<i>4,501,684.35</i>	<i>4,382,816.52</i>	<i>1,825,501.71</i>	<i>2,557,314.81</i>	<i>140.1%</i>
Contributions(Distributions):					
Contributed Capital	8,482,027.09	6,136,422.90	2,500,000.00	3,636,422.90	145.5%
Distribution to Owners	(75,000.00)	-	-	-	0.0%
<i>Total Contributions(Distributions)</i>	<i>8,407,027.09</i>	<i>6,136,422.90</i>	<i>2,500,000.00</i>	<i>3,636,422.90</i>	<i>145.5%</i>
Change in Net Position	11,958,689.24	11,136,589.95	3,306,574.29	7,830,015.66	236.8%
Net Position at Beginning of Year	55,073,749.50	63,758,612.26	63,758,612.26	-	0.0%
Net Position at End of Year	67,032,438.74	74,895,202.21	67,065,186.55	7,830,015.66	11.7%



HEBER LIGHT & POWER COMPANY
Statements of Revenues, Expenses, and Changes in Net Position
YTD - Periods Ended October 31, 2025 and 2024

	2024 Actual	2025 Actual	2025 Budget	Variance to Budget	% Variance
Operating Revenues:					
<u>Electricity Sales</u>	<u>20,789,776.25</u>	<u>25,778,701.67</u>	<u>22,619,518.00</u>	<u>3,159,183.67</u>	<u>14.0%</u>
440.00 - Electric - Residential Income	13,072,728.87	16,442,646.99	14,348,601.00	2,094,045.99	14.6%
442.00 - Electric - General Service Income	7,717,047.38	9,336,054.68	8,270,917.00	1,065,137.68	12.9%
<u>Electricity Sales - Jordanelle</u>	<u>1,717,921.80</u>	<u>1,695,886.96</u>	<u>1,373,612.05</u>	<u>322,274.91</u>	<u>23.5%</u>
445.00 - Jordanelle Power Sales	1,717,921.80	1,695,886.96	1,373,612.05	322,274.91	23.5%
<u>Connection Fees</u>	<u>155,519.29</u>	<u>138,990.60</u>	<u>155,519.00</u>	<u>(16,528.40)</u>	<u>-10.6%</u>
414.20 - Connection Fee Income	155,519.29	138,990.60	155,519.00	(16,528.40)	-10.6%
<u>Other Income</u>	<u>266,499.04</u>	<u>311,939.44</u>	<u>273,536.87</u>	<u>38,402.57</u>	<u>14.0%</u>
414.00 - Other Income	300.00	-	-	-	0.0%
414.10 - Pole Attachment Income	83,371.20	115,662.14	83,371.00	32,291.14	38.7%
414.30 - Penalty Income	49,149.07	57,169.12	56,487.10	682.02	1.2%
417.00 - Revenues from Non-Utility Ops	7,465.89	7,805.45	7,465.89	339.56	4.5%
418.00 - Non-Operating Rental Income	8,800.00	14,550.00	8,800.00	5,750.00	65.3%
445.10 - Jordanelle O&M	115,690.88	115,017.93	115,690.88	(672.95)	-0.6%
449.01 - Other Sales Clear Peaks	702.00	694.80	702.00	(7.20)	-1.0%
451.10 - Meter Reading Charge	1,020.00	1,040.00	1,020.00	20.00	2.0%
<i>Total Operating Revenues</i>	<u><u>22,929,716.38</u></u>	<u><u>27,925,518.67</u></u>	<u><u>24,422,185.92</u></u>	<u><u>3,503,332.75</u></u>	<u><u>14.3%</u></u>
Operating Expenses:					
<u>Power Purchases</u>	<u>(10,554,728.72)</u>	<u>(12,389,145.61)</u>	<u>(11,215,975.17)</u>	<u>(1,173,170.44)</u>	<u>10.5%</u>
555.00 - Power Purchases	(9,740,391.96)	(11,689,359.56)	(10,350,814.22)	(1,338,545.34)	12.9%
556.00 - System Control and Load Dispatch	(814,336.76)	(699,786.05)	(865,160.95)	165,374.90	-19.1%
<u>Power Purchases - Jordanelle</u>	<u>(1,719,881.52)</u>	<u>(1,695,887.04)</u>	<u>(1,373,612.05)</u>	<u>(322,274.99)</u>	<u>23.5%</u>
555.10 - Jordanelle Partner Energy	(1,719,881.52)	(1,695,887.04)	(1,373,612.05)	(322,274.99)	23.5%
<u>Salaries, Wages and Benefits (Unallocated)</u>	<u>(1,147,108.11)</u>	<u>(1,332,859.33)</u>	<u>(1,272,244.22)</u>	<u>(60,615.11)</u>	<u>4.8%</u>
908.00 - Customer Assistance Expenses	(177,160.58)	(138,785.13)	(240,552.59)	101,767.46	-42.3%
920.00 - Salaries Administrative	(948,853.71)	(1,169,167.68)	(1,010,597.81)	(158,569.87)	15.7%
920.10 - Paid Administrative Leave	-	-	-	-	0.0%
926.00 - Employee Pension and Benefits	-	(4,006.98)	-	(4,006.98)	0.0%
926.10 - Post-Employment Benefits	(21,093.82)	(20,899.54)	(21,093.82)	194.28	-0.9%
926.2 - FICA Benefits	-	-	-	-	0.0%
926.30 - Retirement	-	-	-	-	0.0%
926.40 - Actuarial Calculated Pension Expense	-	-	-	-	0.0%
<u>System Maintenance and Training</u>	<u>(3,761,617.34)</u>	<u>(4,365,677.92)</u>	<u>(3,841,904.28)</u>	<u>(523,773.64)</u>	<u>13.6%</u>
401.00 - Operations Expense	(397,289.49)	(470,079.73)	(397,289.49)	(72,790.24)	18.3%
401.20 - Training/Travel Expenses	(303,286.40)	(404,910.49)	(319,433.97)	(85,476.52)	26.8%
542.00 - Hydro Maintenance	(152,733.69)	(88,979.30)	(159,567.88)	70,588.58	-44.2%
586.00 - Meter Expenses	(43,725.58)	(41,691.45)	(43,725.58)	2,034.13	-4.7%
591.00 - Maintenance of Lines	(1,837,810.58)	(1,877,664.63)	(1,848,552.55)	(29,112.08)	1.6%
592.00 - Maintenance of Substations	(383,343.05)	(768,136.23)	(400,464.34)	(367,671.89)	91.8%
597.00 - Metering Maintenance	(259,083.11)	(275,221.98)	(274,391.94)	(830.04)	0.3%
935.00 - Facilities Maintenance	(31,193.13)	(42,020.46)	(31,193.13)	(10,827.33)	34.7%
935.30 - IT Maintenance and Support	(353,152.31)	(396,973.65)	(367,285.40)	(29,688.25)	8.1%
<u>Depreciation (Unallocated)</u>	<u>(3,085,045.23)</u>	<u>(4,198,880.36)</u>	<u>(3,805,735.74)</u>	<u>(393,144.62)</u>	<u>10.3%</u>
403.00 - Depreciation Expense (unallocated)	(3,085,045.23)	(4,198,880.36)	(3,805,735.74)	(393,144.62)	10.3%
<u>Gas Generaton</u>	<u>(2,211,932.84)</u>	<u>(1,608,377.28)</u>	<u>(2,432,808.87)</u>	<u>824,431.59</u>	<u>-33.9%</u>
547.00 - Gas Generation Fuel Costs	(1,081,122.45)	(833,801.78)	(1,748,707.55)	914,905.77	-52.3%
548.00 - Generation Expenses	(1,130,810.39)	(774,543.24)	(684,101.32)	(90,441.92)	13.2%
548.10 - Generation Expenses - Generator	-	(32.26)	-	(32.26)	
<u>Other</u>	<u>(306,629.07)</u>	<u>(372,791.29)</u>	<u>(308,429.07)</u>	<u>(64,362.22)</u>	<u>20.9%</u>
426.40 - Community Relations	(26,500.54)	(46,486.92)	(28,300.54)	(18,186.38)	64.3%
903.23 - Collection Fee / Commissions	(2,879.60)	(3,162.28)	(2,879.60)	(282.68)	9.8%
910.00 - Misc Customer Related-Expenses	-	-	-	-	0.0%
921.40 - Bank & Credit Card Fees	(118,183.95)	(142,170.01)	(118,183.95)	(23,986.06)	20.3%
921.50 - Billing Statement Expenses	(124,179.26)	(135,023.51)	(124,179.26)	(10,844.25)	8.7%
930.20 - Miscellaneous Charges	(34,885.72)	(45,948.57)	(34,885.72)	(11,062.85)	31.7%
<u>Vehicle</u>	<u>(421,794.42)</u>	<u>(602,003.50)</u>	<u>(421,794.42)</u>	<u>(180,209.08)</u>	<u>42.7%</u>
935.20 - Vehicle Expenses	(421,794.42)	(602,003.50)	(421,794.42)	(180,209.08)	42.7%
<u>Office</u>	<u>(118,984.52)</u>	<u>(119,596.75)</u>	<u>(133,984.52)</u>	<u>14,387.77</u>	<u>-10.7%</u>
921.00 - Office Supplies	(13,388.89)	(9,099.68)	(28,388.89)	19,289.21	-67.9%
921.30 - Postage / Shipping Supplies	(2,464.23)	(1,480.33)	(2,464.23)	983.90	-39.9%
935.10 - Communications	(103,131.40)	(109,016.74)	(103,131.40)	(5,885.34)	5.7%
<u>Energy Rebates</u>	<u>(119,411.51)</u>	<u>(100,515.99)</u>	<u>(190,520.00)</u>	<u>90,004.01</u>	<u>-47.2%</u>
555.20 - Energy Rebates	(119,411.51)	(100,515.99)	(190,520.00)	90,004.01	-47.2%
<u>Professional Services</u>	<u>(193,265.95)</u>	<u>(253,413.37)</u>	<u>(204,765.95)</u>	<u>(48,647.42)</u>	<u>23.8%</u>
923.00 - Professional Services	(193,265.95)	(253,413.37)	(204,765.95)	(48,647.42)	23.8%



HEBER LIGHT & POWER COMPANY
Statements of Revenues, Expenses, and Changes in Net Position
YTD - Periods Ended October 31, 2025 and 2024

	2024 Actual	2025 Actual	2025 Budget	Variance to Budget	% Variance
<u>Materials</u>	<u>(206,073.24)</u>	<u>(229,877.81)</u>	<u>(206,073.24)</u>	<u>(23,804.57)</u>	<u>11.6%</u>
402.00 - Materials	(591.79)	(545.93)	(591.79)	45.86	-7.7%
402.10 - Safety Materials	(148,989.20)	(139,721.83)	(148,989.20)	9,267.37	-6.2%
402.20 - Materials - Tools	(56,492.25)	(89,610.05)	(56,492.25)	(33,117.80)	58.6%
<u>Building Expenses</u>	<u>(33,266.11)</u>	<u>(39,141.89)</u>	<u>(33,265.81)</u>	<u>(5,876.08)</u>	<u>17.7%</u>
401.10 - Building Expenses	(33,266.11)	(39,141.89)	(33,265.81)	(5,876.08)	17.7%
<u>Bad Debts</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.0%</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.0%</u>
<i>Total Operating Expenses</i>	<u><i>(23,879,738.58)</i></u>	<u><i>(27,308,168.14)</i></u>	<u><i>(25,441,113.34)</i></u>	<u><i>(1,867,054.80)</i></u>	<u><i>7.3%</i></u>
Operating Income	<u>(950,022.20)</u>	<u>617,350.53</u>	<u>(1,018,927.42)</u>	<u>1,636,277.95</u>	<u>-160.6%</u>
Non-Operating Revenues(Expenses)					
Impact Fees	4,345,481.71	3,924,748.41	2,500,000.00	1,424,748.41	57.0%
Interest Income	1,311,153.40	684,144.35	462,852.37	221,291.98	47.8%
Gain(Loss) on Sale of Capital Assets	(17,600.10)	875,750.00	-	875,750.00	0.0%
Interest Expense	<u>(1,137,350.66)</u>	<u>(1,101,826.24)</u>	<u>(1,137,350.66)</u>	<u>35,524.42</u>	<u>-3.1%</u>
<i>Total Non-Operating Revenues(Expenses)</i>	<u><i>4,501,684.35</i></u>	<u><i>4,382,816.52</i></u>	<u><i>1,825,501.71</i></u>	<u><i>2,557,314.81</i></u>	<u><i>140.1%</i></u>
Contributions(Distributions):					
Contributed Capital	8,482,027.09	6,136,422.90	2,500,000.00	3,636,422.90	145.5%
Distribution to Owners	<u>(75,000.00)</u>	-	-	-	0.0%
<i>Total Contributions(Distributions)</i>	<u><i>8,407,027.09</i></u>	<u><i>6,136,422.90</i></u>	<u><i>2,500,000.00</i></u>	<u><i>3,636,422.90</i></u>	<u><i>145.5%</i></u>
Change in Net Position	11,958,689.24	11,136,589.95	3,306,574.29	7,830,015.66	236.8%
Net Position at Beginning of Year	<u>55,073,749.50</u>	<u>63,758,612.26</u>	<u>63,758,612.26</u>	<u>-</u>	<u>0.0%</u>
Net Position at End of Year	<u>67,032,438.74</u>	<u>74,895,202.21</u>	<u>67,065,186.55</u>	<u>7,830,015.66</u>	<u>11.7%</u>

October - 2025 - HLP Investment/Banking Summary

Investment Statement

Holding	Purpose	09/30 Balance	Activity	Interest	10/31 Balance
PTIF	Reserve Account	5,454,616	(1,327,150)	19,010	4,146,476
Zions - General	Main Operations	1,633,311	(2,482,118)	2,364	(846,442)
Grand Valley Bank	Equipment Reserve Account	763,203	10,000	1,036	774,239
		7,851,130	(3,799,268)	22,410	4,074,273
Restricted Holdings					
Zions - Impact Fee	Impact Capital Improvements	20,313	(13,568)	45	6,790
PTIF - CIAC	CIAC Projects	2,610,305	-	9,467	2,619,773
2019 Bond	Project Fund	(0)	-	-	(0)
2012 Bond Escrow	Debt Payment	87,852	8,667	289	96,808
2019 Bond Escrow	Debt Payment	554,424	91,063	1,713	647,199
2023 Bond	Project Fund	26,066	-	94	26,159
2023 Bond Escrow	Debt Payment	1,230,430	176,750	3,881	1,411,061
					4,807,791
Total Cash and Investments:					8,882,064

Summary of Activity

- PTIF account had standard monthly interest activity, October generator reimbursement.
- General fund seen typical October expenditures and revenues, AP Aging has \$895K owed.
- Impact Fee October payments, and interest.
- Grand Valley Bank interest earned, and October fleet deposit.
- Project accounts had standard monthly interest activity, transfers out as shown above.

Heber Light Power 2025 Approved Capital Budget vs Actual

In Thousands

Data as of: 10/31/2025

	2025 Budget Total	2025 Actual Total	Prior Years Actual Total	Future Estimate Total	Total Project Estimates	Total Project Actuals	Actual Start	Actual Finish
Projects Capitalized (Completed and In-Service)								
<i>Generation (GL: 344.00)</i>								
10042 - Units 1,2 and 4 Radiator Replacements	-	469			469	469	Oct-2022	Feb-2025
10052 - Unit 4 Rebuild	-	728			728	728	Oct-2023	Feb-2025
10063 - Plant 3 Compressor Change	-	35			35	35	May-2024	Feb-2025
10069 - Generation Plant Tool Room Adjustments	-	19			19	19	Dec-2024	Feb-2025
10813 - Plant Exhaust Stack DAQ Compliance	-	952			952	952	Jan-2021	Feb-2025
10909 - Unit 14 Install	-	351			351	351	Jul-2022	Feb-2025
	-	2,554			2,554	2,554		
<i>Lines (GL: 361.00)</i>								
CIAC Driven Projects	3,000	7,561			3,000	7,561	Jan-2025	Dec-2025
	3,000	7,561			3,000	7,561		
<i>Substation (GL: 362.00)</i>								
10065 - Midway Recloser Replacement	-	33			-	33	Aug-2024	Feb-2025
	-	33			-	33		
<i>Buildings (GL: 390.00)</i>								
	-	-			-	-		
<i>Vehicle (GL: 392.00)</i>								
Line/Bucket Truck	600	549			600	549	Jan-2025	Jan-2025
Fleet Vehicle	100	91			100	91	Apr-25	Apr-25
	-	-			-	-		
<i>Machinery, Equipment, & Tools (GL:394.00)</i>								
Underground Puller	250	243			250	243	Mar-2025	Mar-2025
Drone	50	15			50	15	Apr-2025	Apr-2025
Fleet Shop Setup	-	73			-	73	Aug-25	Dec-25
Tilt Deck Trailer	40	15			40	15	Aug-25	Aug-25
Turret Trailer	150	149			150	149	Jun-2025	Jun-2025
	490	495			490	495		
<i>Tech/Office Equipment (GL: 397.00)</i>								
10070 - 2024 Meraki Switches	-	56			56	56	Jun-24	May-25
2025 Computer Deployments	75	62			62	62	Jan-24	Dec-25
Radio Repeater	-	4			4	4	Aug-25	Aug-25
	75	122			122	122		
<i>Metering (GL: 370.00)</i>								
	-	-			-	-		
2025 Capital Plan Totals:	3,490	10,643			6,044	10,643		

	2025 Budget Total	2025 Actual Total	Prior Years Actual Total	Future Estimate Total	Total Project Estimates	Total Project Actuals	Est. Start	Est. Finish
Projects - Construction Work in Progress (CWIP)								
<i>Generation (GL: 344.00)</i>								
~ Annual Generation Capital Improvements	50	-	-	-	50	-	as needed	as needed
~ Lower Snake Creek Plant Upgrade	5	-	-	-	5	-	as needed	as needed
~ Lower Snake Creek Penstock	250	-	-	-	250	-	as needed	as needed
~ Hydro Plant Battery Replacement	20	-	-	20	40	-	as needed	as needed
~ Lake Creek Capital Improvements	5	-	-	-	5	-	as needed	as needed
~ Unit Overhauls	250	-	-	-	250	-	as needed	as needed
~ Gas Plant 2 Relay Upgrade	700	-	-	-	700	-	June	July
~ Upper Snake Creek Capital Improvements	25	-	-	-	25	-	July	August
~ Plant Hydraulics System Upgrade	50	-	-	-	50	-	Fall-22	Dec-2025
o Plant 1 Replacement (10047)	7,000	52	3	13,000	20,003	55	Jan-2024	Dec-2026
	8,355	52	3	13,020	21,378	55		
<i>Lines (GL: 361.00)</i>								
~ Underground System Improvements (5225)	275	199	-	-	1,000	199	Jan-2025	Dec-2025
~ Aged & Environmental Distribution Replacement/Upgrade (5025, 5125)	220	221	-	-	1,000	221	Jan-2025	Dec-2025
~ Fault Indicator - Underground System	10	-	-	-	100	-	Jan-2025	Dec-2025
o Annexation Asset Purchase	25	-	-	-	250	-	Jan-2025	Dec-2025
~ ROW Purchases (10029, 10060)	1,000	-	9	800	1,800	9	Nov-2024	Apr-2025
~ Heber Substation Additional Circuits (South & West)	300	-	-	1,150	1,450	-	as needed	as needed
o Tie line from 305 to 402 to 303 (10988)	350	-	-	-	350	-	Jun-2025	Dec-2025
o Rebuild PR201_Main Street to Burgi Lane	700	-	-	-	1,471	-	Jun-2023	Oct-2025
~ Fire Mitigation - Single Phase Reclosers	45	-	-	100	145	-	as needed	as needed
o Provo River Substation Get Aways Reconnect to New Site (39944, 47210, 47211)	1,200	770	22	750	2,300	792	Jul-2024	Oct-2025
o Additional Circuits out of College to South and East	204	-	-	1,350	1,554	-	May-2024	Jul-2025
o College to Heber Circuit Network Upgrades	250	-	-	750	1,000	-	Jul-2024	Dec-2025
o Tie 502 to 505 (10994)	200	-	-	200	400	-	Apr-21	Dec-2025
o Airport Road Rebuild & Loop (10992)	800	14	-	-	800	14	Nov-2024	Aug-2025
o Reconnector Jailhouse to Timber Lakes (Regulators)	15	-	-	1,000	1,015	-	Oct-2025	Sep-2026
	5,594	1,204	31	6,100	14,635	1,235		

Heber Light Power 2025 Approved Capital Budget vs Actual

In Thousands

Data as of: 10/31/2025

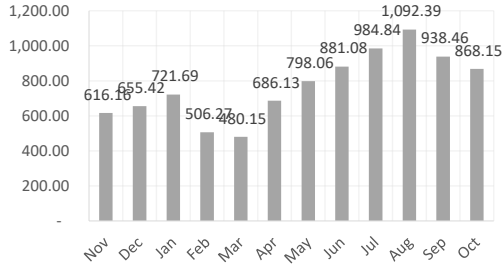
	2025 Budget Total	2025 Actual Total	Prior Years Actual Total	Future Estimate Total	Total Project Estimates	Total Project Actuals	Actual Start	Actual Finish
Projects Capitalized (Completed and In-Service)								
<i>Substation (GL: 362.00)</i>								
~ Replacement Recloser for Joslyn Reclosers	25	-	-	-	25	-	as needed	as needed
o Gas Plant 2 XFMR Upgrade and Substation Rebuild	2,000	-	-	3,720	5,720	-	Mar-2024	Oct-2026
~ Heber Relay Upgrade	30	-	-	35	65	-	Jul-2024	Oct-2025
~ Jailhouse Fence Replacement	129	-	-	-	129	-	Mar-2024	Nov-2025
o Cloyes Relay Upgrade	36	-	-	-	36	-	Jun-2024	Oct-2025
~ Midway Substation - High Side Rebuild & 138kV Conversion	100	-	-	5,400	5,500	-	Mar-2025	Sep-2027
~ Gas Plant 1 Interconnection to Heber Substation	200	-	-	500	700	-	Aug-2025	Dec-2027
~ East Substation Land Purchase	3,000	-	-	-	3,000	-	as needed	as needed
~ North Dam POD Substation	2,850	-	-	15,000	17,850	-	as needed	as needed
o Daniels Canyon Substation (WO 10024)	500	5	74	15,272	15,846	79	Mar-2025	Dec-2030
	<u>8,870</u>	<u>5</u>	<u>74</u>	<u>39,927</u>	<u>48,871</u>	<u>79</u>		
<i>Buildings (GL: 390.00)</i>								
* New Office Building - Phase 1 (Building) (10677)	11,188	10,940	7,145	-	18,251	18,085	Jan-2020	Sep-2025
~ EV Charging System (48417)	231	-	-	-	231	-	Mar-2024	Sep-2025
~ Plant Analysis Fallouts	140	-	-	-	140	-	Sep-2025	Dec-2025
~ Generator Fire Suppression System	1,150	-	-	-	2,676	-	Apr-2025	Nov-2025
~ College Substation Perimeter Xeroscaping	10	-	-	-	10	-	May-2025	May-2025
o New Office Building - Phase 2 (Current Campus Modifications)	750	-	-	300	1,050	-	Oct-2025	Oct-2026
~ New Communications Building	200	-	-	-	200	-	Apr-2025	Jun-2025
~ Plant 2/3 Wiring Upgrade	25	-	-	-	25	-	Jul-2025	Sep-2025
~ Tool Room Relocation	35	-	-	-	35	-	Feb-2025	Apr-2025
	<u>13,729</u>	<u>10,940</u>	<u>7,145</u>	<u>300</u>	<u>22,618</u>	<u>18,085</u>		
<i>Vehicle (GL: 392.00)</i>								
~ Line/Bucket Truck	-	738	-	1,500	1,500	738	as needed	as needed
~ Service Truck	-	-	-	2,660	2,660	-	as needed	as needed
~ Fleet Vehicle	-	-	-	1,260	1,260	-	as needed	as needed
~ Trailer	-	-	-	-	-	-	as needed	as needed
	<u>-</u>	<u>738</u>	<u>-</u>	<u>5,420</u>	<u>5,420</u>	<u>738</u>		
<i>Machinery, Equipment, & Tools (GL:394.00)</i>								
~ Substations	10	-	-	60	70	-	as needed	as needed
~ Distribution	425	26	-	-	425	26	as needed	as needed
~ Generation	75	26	-	-	75	26	as needed	as needed
~ Fleet	160	-	-	100	260	-	as needed	as needed
	<u>670</u>	<u>52</u>	<u>-</u>	<u>160</u>	<u>830</u>	<u>52</u>		
<i>Systems & Technology (GL: 397.00)</i>								
~ Annual IT Upgrades	135	51	-	615	750	51	as needed	as needed
Computer/Server/Equipment Replacements	135	-	-	765	900	-	as needed	as needed
Fiber Upgrade 2025	100	-	-	-	100	-	as needed	as needed
~ Annual OT Upgrades	180	-	-	990	1,170	-	as needed	as needed
~ Smart Grid Investment	10	-	-	90	100	-	as needed	as needed
~ AMI Tower - North Village	-	-	-	140	140	-	as needed	as needed
	<u>560</u>	<u>51</u>	<u>-</u>	<u>2,600</u>	<u>3,160</u>	<u>51</u>		
2025 Capital Plan Totals:	<u>37,778</u>	<u>13,042</u>		<i>HLP Total Capital Plan</i>	<u>116,912</u>	<u>20,295</u>		
<i>October Costs:</i>		<u>2,765</u>						
<i>Total 2025 Costs:</i>		<u>13,042</u>						

Financing Approach

- ~ HLP Operational/Reserve Funds
- * 2023 Bond
- o 2026 Bond
- o Impact Fee
- ** Project Completed

EV Charger Analytics
as of 10/31/2025

**-CHARGEPOINT+ COMBINED
REVENUE**



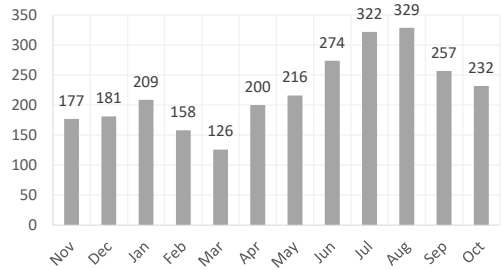
Wasatch High School

	kWh	Sessions	Rev
Nov	304.071	24	45.63
Dec	511.425	24	76.72
Jan	569.851	28	85.47
Feb	421.368	23	54.28
Mar	539.477	18	75.27
Apr	734.580	35	115.83
May	627.651	37	100.81
Jun	740.900	37	112.21
Jul	894.566	36	151.42
Aug	1,082.700	32	174.71
Sep	710.454	26	102.35
Oct	619.163	20	102.53

Soldier Hollow Golf Course

	kWh	Sessions	Rev
Nov	245.840	15	36.87
Dec	393.892	16	59.08
Jan	327.359	27	49.10
Feb	44.131	4	6.63
Mar	211.859	12	31.79
Apr	349.942	6	52.48
May	735.416	36	118.16
Jun	1,093.050	57	126.11
Jul	745.378	54	114.12
Aug	981.639	57	157.46
Sep	977.979	44	157.38
Oct	477.430	32	76.81

**-CHARGEPOINT+ COMBINED
SESSIONS**



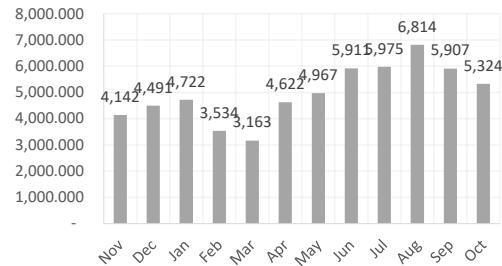
Public Safety Building

	kWh	Sessions	Rev
Nov	370.675	20	55.60
Dec	764.137	25	103.17
Jan	841.051	31	138.62
Feb	823.870	39	120.11
Mar	449.848	20	71.63
Apr	1,014.108	54	152.09
May	560.928	30	90.50
Jun	819.865	40	112.86
Jul	766.358	41	124.76
Aug	1,429.782	62	232.18
Sep	1,059.088	46	168.29
Oct	1,113.369	48	185.31

Midway City Offices

	kWh	Sessions	Rev
Nov	2,643.115	73	390.78
Dec	2,055.082	65	314.67
Jan	2,081.214	73	313.10
Feb	1,884.979	64	271.23
Mar	1,471.870	52	227.99
Apr	1,259.835	50	189.01
May	1,432.655	53	225.11
Jun	1,982.736	77	314.16
Jul	1,930.997	109	331.50
Aug	1,095.051	68	178.42
Sep	1,268.693	64	195.16
Oct	1,100.363	53	189.57

**-CHARGEPOINT+ COMBINED
ENERGY (KWH)**



Heber City Offices

	kWh	Sessions	Rev
Nov	460.274	25	69.57
Dec	713.991	42	93.89
Jan	816.206	34	122.44
Feb	305.823	21	45.87
Mar	479.398	22	71.92
Apr	1,189.060	51	165.49
May	1,467.972	54	240.46
Jun	893.917	33	154.32
Jul	955.589	42	153.45
Aug	1,522.725	71	236.42
Sep	1,286.024	45	216.79
Oct	1,392.621	50	222.69

Wasatch County Offices

	kWh	Sessions	Rev
Nov	118.086	20	17.71
Dec	52.593	9	7.89
Jan	86.388	16	12.96
Feb	54.266	7	8.15
Mar	10.317	2	1.55
Apr	74.885	4	11.23
May	142.728	6	23.02
Jun	380.968	30	61.42
Jul	682.309	40	109.59
Aug	701.922	39	113.20
Sep	604.598	32	98.49
Oct	621.229	29	91.24

Prepaid Expenses Activity
as of 10/31/2025

Account Activity

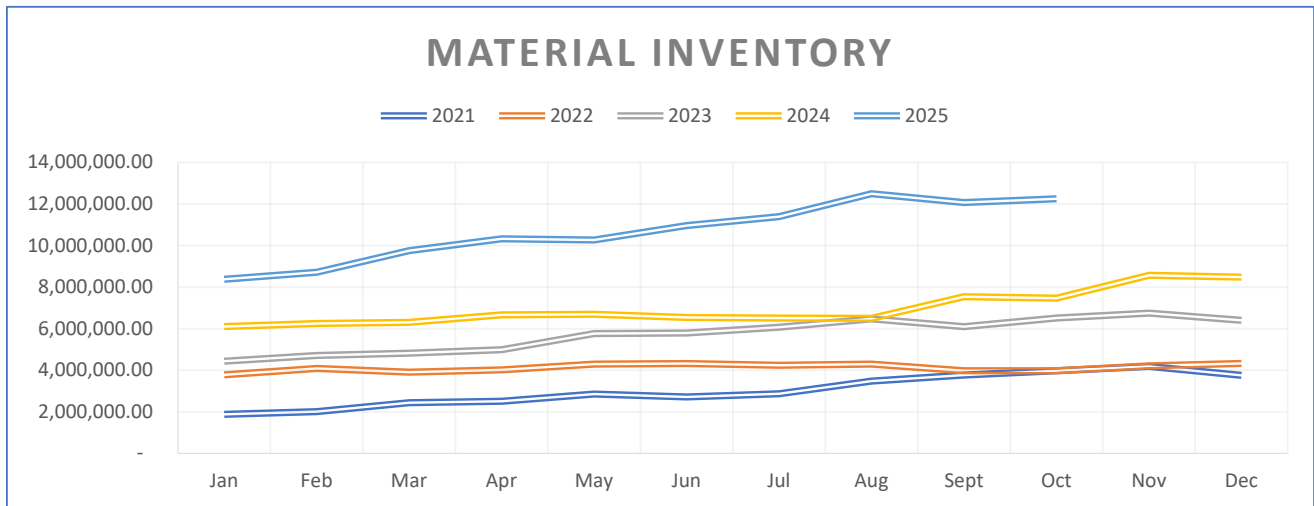
<i>Beginning Balance:</i>		<i>411,822.83</i>
New Prepaid Amounts	559,811.43	
Prepaid Xfers Out (Jan-Oct)	(476,547.78)	
Change in Balance:	83,263.65	
<i>Ending Balance:</i>		<u><u>495,086.48</u></u>

New Prepaids

January	-
February	
	-
March	
Workers Compensation Premium	48,103.00
Workers Compensation Insurance	12,025.75
ESRI - Mapping Solutions	29,000.00
VLCM - Sophos Subscription	33,457.45
April	
Insurance Renewal	392,102.00
May	
Mini-X Rental	6,750.00
Workers Compensation	-
June	
	-
July	
Aug	
	-
Sept	
Backhoe Lease	8,843.19
AutoCad Renewal - DLT Solutions, LLC	23,030.04
Oct	
Skid Steer Rental	6,500.00
Nov	
Dec	
January Bond Payments	-

Inventory
as of 10/31/2025

	2021	2022	2023	2024	2025
Jan	1,876,937.53	3,778,430.67	4,434,649.84	6,102,193.05	8,377,762.27
Feb	2,012,415.24	4,081,982.79	4,711,361.66	6,251,147.37	8,719,990.73
Mar	2,442,873.61	3,902,076.95	4,815,227.19	6,300,846.55	9,749,303.57
Apr	2,506,042.19	4,020,050.79	4,986,992.59	6,660,776.38	10,323,609.56
May	2,859,551.36	4,294,115.02	5,767,761.70	6,687,504.16	10,267,379.62
Jun	2,717,905.59	4,317,016.55	5,787,929.69	6,537,416.12	10,955,387.87
Jul	2,868,558.09	4,241,175.30	6,063,140.93	6,518,408.24	11,387,225.35
Aug	3,480,918.77	4,288,987.67	6,467,051.69	6,503,028.42	12,495,177.66
Sept	3,771,207.98	3,971,466.47	6,089,668.24	7,539,567.55	12,076,597.41
Oct	3,973,984.50	3,973,358.34	6,511,174.81	7,471,624.20	12,247,500.23 **
Nov	4,183,177.91	4,217,668.66	6,748,276.42	8,569,672.52	
Dec	3,757,131.63	4,326,309.61	6,406,955.09	8,484,856.46	



**

7,103,550.13 Reserved for CIAC Projects
 1,047,659.89 Reserved for HLP Capital Projects
 4,096,290.21 Ready Stores for OMAG Purposes

Open Miscellaneous Receivable Invoices
as of 10/31/2025

Customer	Purpose	Period	Amount
Brian Myers	Damage Claim	Jun-24	3,137.36
Farm Bureau Property	Damage Claim	Aug-24	1,360.00
Lythgoe Design Group	Antenna Pole Correction	Sep-24	19,582.50
Torres Underground	Damage Claim	Nov-24	17,917.64
Hadco Construction	Damage Claim	Nov-24	3,803.55
Progressive Insurance	Damage Claim	Feb-25	2,352.81
MC Contractors	Damage Claim	Feb-25	5,037.13
Staker Parsons Co.	Damage Claim	Jun-25	4,765.76
OK3 Air	Damage Claim	Jun-25	5,084.22
Edgewood Capital LLC	Transformer Relocation	Aug-25	1,888.77
Chiwas Construction	Damage Claim	Sep-25	2,149.97
Simpson, Ryan	Damage Claim	Oct-25	1,401.50
Mustang Cat Power System	Genset Sale	Oct-25	95,000.00
Ace Intermountain Recy	Damage Claim	Oct-25	27,590.70
			191,071.91

October - 2025 _ Actual versus Estimate

Work Order	Project Description	Open Date	Closed Date	Actual Costs	Estimate	CIAC	Network Upgrade
35580 - 2 lots Beaufontaine Subdivision	Line Extension	10/11/2022	10/31/2025	11,213.33	1,779.81	(11,758.91)	-
40914 - 6800 Drinking Water Pump Station	Line Extension	9/21/2023	10/1/2025	420,139.49	397,165.49	(443,864.43)	-
49425 - Prestwich Residence 885 N Harvest Ln	Line Extension	12/6/2024	10/31/2025	4,069.46	6,917.08	(6,995.74)	-
51442 - Streetlight 2400 S Hwy 189	Line Extension	4/10/2025	10/31/2025	30,989.35	43,569.29	-	30,989.35
52269 - 2303 E La Sal Peak 400 amp service	Service Upgrade	5/27/2025	10/31/2025	6,091.93	6,531.11	(6,831.10)	-

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div Account	Dept	Actv			
2819 10/1/25	WIRE	1294	ALLIED ADMINISTRATORS FOR DELTA						3,858.32
OCT 2025 DENTAL			Dental Coverage for Oct 2025	0 926.0	1	12		3,858.32	
2820 10/1/25	WIRE	1185	THE STANDARD INSURANCE COMPAN						3,854.64
1733630001 OCT25			Oct 2025 LTD Premium	0 926.0	1	12		3,854.64	
2821 10/1/25	WIRE	451	GUARDIAN						2,879.31
GUARD 1025			Oct 2025 Accident Insurance Premium	0 926.0	1	12		2,879.31	
2826 10/1/25	WIRE	1322	HEALTH EQUITY						23,625.00
4THQTRFUNDING2025			4th Quarter HSA Funding	0 926.0	1	12		23,625.00	
2831 10/2/25	WIRE	558	UNITED STATES TREASURY						56,667.93
20251001105810001			PL Federal Withholding-Married	0 241.1	0	0		9,494.10	
			PL Federal Withholding-Single	0 241.1	0	0		13,012.85	
			PL Medicare-Employee	0 926.2	1	0		3,237.46	
			PL Medicare-Employer	0 926.2	1	0		3,237.46	
			PL Social Security-Employee	0 926.2	1	0		13,843.03	
			PL Social Security-Employer	0 926.2	1	0		13,843.03	
Total for Check/Tran - 2831:									56,667.93
2832 10/2/25	WIRE	1322	HEALTH EQUITY						3,653.29
20251001105810002			PL Employee HSA Contributions	0 243.0	0	0		3,653.29	
2833 10/7/25	WIRE	1322	HEALTH EQUITY						71.40
OCT25 ADMIN FEE			Oct Admin Fee	0 926.0	1	12		71.40	
2834 10/1/25	WIRE	406	FASTENAL COMPANY						261.20
UTLIN184545			Vending Machine Issuances	0 402.1	2	420		121.40	
			Vending Machine Issuances	0 402.2	3	420		84.46	
			Vending Machine Issuances	0 591.0	2	420		46.31	
			Vending Machine Issuances	0 921.0	1	420		9.03	
Total for Check/Tran - 2834:									261.20
2835 10/1/25	WIRE	1047	US DEPT OF ENERGY						2,263.72
JJPB1643B0925			September Hydro Energy	0 555.0	5	162		2,263.72	

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div Account	Dept	Actv			
2836 10/1/25	WIRE	268	BRENDA CHRISTENSEN						475.32
OCT25 STIPEND			Oct 2025 HLP Board Stipend	0 920.0	1	180		475.32	
2837 10/6/25	WIRE	276	CIMA ENERGY, LP						45,073.31
0925-419660-1			September Natural Gas Purchases	0 547.0	4	140		45,073.31	
2838 10/2/25	WIRE	1065	UTAH STATE RETIREMENT						47,868.65
20251001105810003			PL Employee 401k Deferral	0 242.4	0	0		5,107.26	
			PL Employee 457 Deferral	0 242.4	0	0		1,212.33	
			PL Employee Roth IRA Deferrals	0 242.4	0	0		1,610.00	
			PL URS Tier 2 Hybrid Employee Contributi	0 926.3	0	0		726.26	
			PL URS Employer 401k Contribution	0 926.3	1	12		3,691.92	
			PL URS Tier 1	0 926.3	1	12		17,695.58	
			PL URS Tier 2 Fund 111	0 926.3	1	12		12,723.04	
			PL URS Tier 2 Fund 211 DC	0 926.3	1	12		2,251.39	
			PL URS Tier 2 Fund 211 DC addtl	0 926.3	1	12		943.33	
			PL URS Loan Repayment	0 930.2	1	0		1,907.54	
Total for Check/Tran - 2838:									47,868.65
2840 10/15/25	WIRE	965	STATE TAX COMMISSION-W/H						19,130.89
SEP25 WH			Sept 2025 State Payroll Withholding	0 241.2	0	460		19,130.89	
2841 10/13/25	WIRE	456	GRAINGER, INC.						97.43
9673312063			steel plunger can	0 548.0	4	375		97.43	
2842 10/17/25	WIRE	1047	US DEPT OF ENERGY						103,166.27
JJPB1643A0925			September Hydro Energy	0 555.0	5	162		103,166.27	
2843 10/16/25	WIRE	558	UNITED STATES TREASURY						56,429.60
20251015155259001			PL Federal Withholding-Married	0 241.1	0	0		10,249.41	
			PL Federal Withholding-Single	0 241.1	0	0		12,366.93	
			PL Medicare-Employee	0 926.2	1	0		3,204.49	
			PL Medicare-Employer	0 926.2	1	0		3,204.49	
			PL Social Security-Employee	0 926.2	1	0		13,702.14	
			PL Social Security-Employer	0 926.2	1	0		13,702.14	
Total for Check/Tran - 2843:									56,429.60

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger							
Invoice			GL Reference	Div	Account	Dept	Actv	BU	Project	Distr	Amount
2844 10/16/25	WIRE	1322	HEALTH EQUITY								3,653.29
20251015155259002			PL Employee HSA Contributions	0	243.0	0	0			3,653.29	
2845 10/16/25	WIRE	1065	UTAH STATE RETIREMENT								47,229.16
20251015155259003			PL Employee 401k Deferral	0	242.4	0	0			5,066.92	
			PL Employee 457 Deferral	0	242.4	0	0			1,212.33	
			PL Employee Roth IRA Deferrals	0	242.4	0	0			1,610.00	
			PL URS Tier 2 Hybrid Employee Contributi	0	926.3	0	0			717.38	
			PL URS Employer 401k Contribution	0	926.3	1	12			3,637.25	
			PL URS Tier 1	0	926.3	1	12			17,273.30	
			PL URS Tier 2 Fund 111	0	926.3	1	12			12,567.15	
			PL URS Tier 2 Fund 211 DC	0	926.3	1	12			2,281.39	
			PL URS Tier 2 Fund 211 DC addtl	0	926.3	1	12			955.90	
			PL URS Loan Repayment	0	930.2	1	0			1,907.54	
Total for Check/Tran - 2845:											47,229.16
2846 10/20/25	WIRE	121	AFLAC								220.20
613635			AFLAC Withholdings	0	926.0	1	12			220.20	
2851 10/28/25	WIRE	964	STATE TAX COMMISSION-SALES								112,080.87
SEPT25SALESTAX			September Sales Tax Submission	0	241.0	0	316			112,080.87	
2852 10/30/25	WIRE	558	UNITED STATES TREASURY								57,832.45
20251028164809001			PL Federal Withholding-Married	0	241.1	0	0			10,794.45	
			PL Federal Withholding-Single	0	241.1	0	0			12,791.14	
			PL Medicare-Employee	0	926.2	1	0			3,253.81	
			PL Medicare-Employer	0	926.2	1	0			3,253.81	
			PL Social Security-Employee	0	926.2	1	0			13,869.62	
			PL Social Security-Employer	0	926.2	1	0			13,869.62	
Total for Check/Tran - 2852:											57,832.45
2853 10/30/25	WIRE	1322	HEALTH EQUITY								3,653.29
20251028164809002			PL Employee HSA Contributions	0	243.0	0	0			3,653.29	
2855 10/30/25	WIRE	1065	UTAH STATE RETIREMENT								47,763.20
20251028164809003			PL Employee 401k Deferral	0	242.4	0	0			5,069.12	
			PL Employee 457 Deferral	0	242.4	0	0			1,212.33	

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger					
Invoice			GL Reference	Div Account	Dept	ActvBU Project	Distr Amount	Amount	
			PL Employee Roth IRA Deferrals	0242.4	0	0	1,610.00		
			PL URS Tier 2 Hybrid Employee Contributi	0926.3	0	0	731.90		
			PL URS Employer 401k Contribution	0926.3	1	12	3,693.86		
			PL URS Tier 1	0926.3	1	12	17,377.28		
			PL URS Tier 2 Fund 111	0926.3	1	12	12,821.80		
			PL URS Tier 2 Fund 211 DC	0926.3	1	12	2,353.33		
			PL URS Tier 2 Fund 211 DC addtl	0926.3	1	12	986.04		
			PL URS Loan Repayment	0930.2	1	0	1,907.54		
Total for Check/Tran - 2855:								47,763.20	
2857 10/31/25	WIRE	760	ZIONS CREDIT CARD ACCT						34,503.99
OCT 2025			Case for Penstock welder	0107.0	0	235	107.52		
			Envelopes	0107.0	0	235	2.36		
			Metal fabrication Unit 4	0107.0	0	235	30.00		
			Server Racks	0107.0	0	235	5,841.05		
			Server racks for New building	0107.0	0	235	8,463.60		
			Unit 4 material	0107.0	0	235	748.25		
			Amazon Business Prime Annual Membership	0401.0	1	200	179.00		
			Asset Tracker Sub	0401.0	3	374	34.95		
			Asset Tracker Subscription	0401.0	3	374	34.95		
			Elementor Renewal	0401.0	5	374	52.71		
			October Recyclops	0401.1	1	295	96.00		
			Andrew D PMP Renewal	0401.2	1	200	60.00		
			Nov CREDA meeting airfare Emily B	0401.2	5	10	406.96		
			Ubiquite Training airfare Colby H	0401.2	6	10	130.00		
			Ubiquite Training airfare Tom B	0401.2	6	10	130.00		
			Ubiquite Training Airport parking	0401.2	6	415	69.00		
			First Aid & Safety items	0402.1	1	315	2,806.00		
			FR Clothing Devan Clyde	0402.1	2	125	306.50		
			FR Clothing Jeremy Motley	0402.1	2	125	572.25		
			FR Clothing Riely Wright	0402.1	2	125	785.41		
			FR Clothing Jake Parcell	0402.1	3	125	537.54		
			FR Clothing Josh Gustin	0402.1	4	125	637.02		
			FR Clothing Logan Ulibarri	0402.1	4	125	137.75		
			Klein tools Service Truck	0402.2	2	155	26.17		
			Service Truck klein tools	0402.2	2	155	31.24		
			Place holder for Crimper 1100 fix	0402.2	2	260	2,151.00		
			Dinner for line crew help Halloween Fest	0426.4	1	280	36.63		

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger					
Invoice			GL Reference	Div Account	Dept	ActvBU Project	Distr Amount	Amount	
			Crayons for School tours	0426.4	1	285	49.22		
			Electrical aligator clips	0426.4	1	285	12.98		
			Fruit snacks for school tours	0426.4	1	285	69.70		
			Lunch for Public Power Week helpers	0426.4	1	285	164.45		
			Treats for the Senior Tours	0426.4	1	285	17.58		
			paper clips for School tours	0426.4	1	285	4.24		
			2x12' BTR Fir boards (10)	0548.0	4	235	254.30		
			Aluminum Header Block	0548.0	4	235	423.76		
			Air-operated double diaphragm pump	0554.0	4	105	116.99		
			Rolling battery display rack	0554.0	4	235	103.95		
			Vinyl label tape	0591.0	2	235	328.65		
			Airpods for Riley	0591.0	2	375	168.29		
			Drink packets	0921.0	1	145	73.97		
			New Utah Flag	0921.0	1	145	18.99		
			post its, toner cartridge	0921.0	1	145	334.25		
			Costco Delivery	0930.2	1	410	747.84		
			Food Drive 2025	0930.2	1	410	8.99		
			Green ear tags	0935.0	1	375	1,131.50		
			Amazon Web Services	0935.1	6	175	43.36		
			AT&T Firstnet payment	0935.1	6	245	3,437.50		
			Allwest Oct payment	0935.1	6	245	1,154.32		
			Truck 268 windsheild chip repair	0935.2	1	187	59.14		
			Power Coating Bucket Truck 280	0935.2	4	187	180.46		
			Power Coating Bucket Truck 281	0935.2	4	187	180.46		
			Truck 260 Windsheild	0935.2	4	340	463.50		
			Keyboards	0935.3	6	105	326.64		
			Addigy Monthly subscription	0935.3	6	374	215.10		
Total for Check/Tran - 2857:							34,503.99		
2858 10/31/25	WIRE	406	FASTENAL COMPANY						434.92
UTLIN184662			Vending Machine Issuances	0402.1	2	420	0.61		
			Vending Machine Issuances	0402.2	2	420	29.64		
			Vending Machine Issuances	0402.2	3	420	73.81		
			Vending Machine Issuances	0548.0	4	420	11.60		
			Vending Machine Issuances	0591.0	2	420	307.68		
			Vending Machine Issuances	0921.0	1	420	11.58		
Total for Check/Tran - 2858:							434.92		

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger							
Invoice			GL Reference	Div	Account	Dept	Actv	BU	Project	Distr	Amount
2859 10/31/25	WIRE	406	FASTENAL COMPANY								677.42
UTLIN185150			Vending Machine Issuances	0	402.1	1	420			2.45	
			Vending Machine Issuances	0	402.1	2	420			36.21	
			Vending Machine Issuances	0	402.1	3	420			21.01	
			Vending Machine Issuances	0	402.2	2	420			71.74	
			Vending Machine Issuances	0	542.0	8	420			72.83	
			Vending Machine Issuances	0	556.0	5	420			18.76	
			Vending Machine Issuances	0	591.0	2	420			418.41	
			Vending Machine Issuances	0	592.0	3	420			28.94	
			Vending Machine Issuances	0	921.0	1	420			7.07	
Total for Check/Tran - 2859:											677.42
10643 10/2/25	DD	1328	DAVIS DISTRIBUTIN I ASCENT DIESEL								0.00
57455CR			Credit return on Inv57455 Truck 280	0	935.2	4	235			-815.27	
			Credit return on Inv57455 Truck 281	0	935.2	4	235			-815.25	
61490			Truck 275 Radioray LED spotlight	0	402.2	2	155			649.00	
61177			Truck 251 replacement latch	0	935.2	4	235			104.59	
61911			Fleet - Tradesman vise	0	935.2	4	235			876.93	
Total for Check/Tran - 10643:											0.00
69453 10/2/25	CHK	1	MILLERS AUTOMOTIVE EQUIPMENT R								26,150.00
1313			Fleet Shop Air System	0	394.0	0	0			10,078.00	
			Fleet Shop Waste Oil System	0	394.0	0	0			16,072.00	
Total for Check/Tran - 69453:											26,150.00
69454 10/2/25	CHK	425	JORDAN BEHUNIN								467.02
NISCMICRENTALCAR0925			NISC MIC Conf rental car	0	401.2	2	415			364.30	
NISC MIC 0925			NISC MIC Conf rental car gas	0	401.2	2	415			26.72	
NISCMICPARKING 0925			NISC MIC Conf hotel parking	0	401.2	2	415			76.00	
Total for Check/Tran - 69454:											467.02
69455 10/2/25	CHK	1	AMY LUCAS								75.00
LUCAS, REBATE1025			Thermostat rebate	0	555.2	1	385			75.00	
69456 10/2/25	CHK	1	DANIEL DAHL								1,875.00

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger					
Invoice			GL Reference	Div Account	Dept	ActvBU Project	Distr Amount		Amount
DAHL, REBATE 1025			Tier 3 Heatpump rebate	0 555.2	1	160	1,800.00		
			Thermostat rebate	0 555.2	1	385	75.00		
Total for Check/Tran - 69456:									1,875.00
69457 10/2/25	CHK	1	JO & JOEL PIEPER						8,600.00
2			Allwest Pole attachments 86 poles	0 591.0	2	47	8,600.00		
69458 10/2/25	CHK	1	JO & JOEL PIEPER						700.00
1			Diversified 7 poles	0 591.0	2	235	700.00		
69459 10/2/25	CHK	1	KYLE MALLORY						500.00
MALLORY, REBATE1025			EV Charger rebate	0 555.2	1	110	500.00		
69460 10/2/25	CHK	1	LIZ GRIFFITH						1,800.00
GRIFFITH,REBATE1025			Duel Fuel Heatpump rebate	0 555.2	1	160	1,800.00		
69461 10/2/25	CHK	1	MATT SULIVAN						75.00
SULIVAN,REBATE1025			Whole house fan rebate	0 555.2	1	160	75.00		
69462 10/2/25	CHK	1	ROBERT DEBOTELHO						1,900.00
DEBOTELHO,REBATE1025			ECM rebate	0 555.2	1	160	100.00		
			Tire 3 Heatpump rebate	0 555.2	1	160	1,800.00		
Total for Check/Tran - 69462:									1,900.00
69463 10/2/25	CHK	1	STAN MATUS						50.00
MATUS, REBATE1025			Fridge rebate	0 555.2	1	300	50.00		
69464 10/2/25	CHK	1	STEPHANIE WARREN						75.00
WARREN, REBATE1025			Thermostat rebate	0 555.2	1	385	75.00		
69465 10/2/25	CHK	1	W RUSTIN SWEAT						75.00
SWEAT, REBATE1025			Thermostat rebate	0 555.2	1	385	75.00		
69466 10/2/25	CHK	11	VESTIS						454.85
4583516378			Coverall Rental	0 402.1	4	125	90.97		
4583519339			Coverall Rental	0 402.1	4	125	90.97		

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger					
Invoice			GL Reference	Div Account	Dept	ActvBU Project	Distr Amount	Amount	
4583521733			Coverall Rental	0 402.1	4	125	90.97		
4583525127			Coverall Rental	0 402.1	4	125	90.97		
4583527523			Coverall Rental	0 402.1	4	125	90.97		
Total for Check/Tran - 69466:								454.85	
69467 10/2/25	CHK	140	ALTEC IND						6,125.61
51792257			Truck Service/repair	0 935.2	4	340	1,546.44		
51794194			Truck 245 Service/repair	0 935.2	4	340	4,140.31		
51797970			Truck 251 parts	0 935.2	4	235	438.86		
Total for Check/Tran - 69467:								6,125.61	
69468 10/2/25	CHK	246	CANYON OVERHEAD DOORS						3,540.00
36299			removed & replaced Gearhead Operator	0 935.0	1	225	3,540.00		
69469 10/2/25	CHK	336	VLCM						629.90
SUB000048			Microsoft 365 software	0 935.3	6	355	629.90		
69470 10/2/25	CHK	428	FREEDOM MAILING						5,106.79
51263			Aug 2025 Billing Cycle 2 Statements	0 921.5	1	55	5,106.79		
69471 10/2/25	CHK	456	GRAINGER, INC.						399.38
9633464335			Hammer Drill bit	0 107.0	0	235	238.95		
9635411599			Aluminum box level	0 402.2	4	155	160.43		
Total for Check/Tran - 69471:								399.38	
69472 10/2/25	CHK	513	COLBY HOUGHTON						280.00
UBIQUITI PERDIEM1025			Ubiquiti Wireless Trainin Per Diem	0 401.2	6	240	280.00		
69473 10/2/25	CHK	619	KW ROBINSON CONST INC						31,866.04
2025-24			WO 10990 New Bldg excavation	0 107.0	0	115	31,866.04		
69474 10/2/25	CHK	736	PROTELESIS CORPORATION						519.99
I-101543			September SIP Trunk Support	0 935.1	6	245	519.99		
69475 10/2/25	CHK	740	IRBY CO.						10,574.00

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger					
Invoice			GL Reference	Div Account	Dept	ActvBU Project	Distr Amount	Amount	
S014351112.003			PO Material received	0 154.0	0	0	1,949.00		
S014177810.009			PO Material received	0 154.0	0	0	5,775.00		
S014182162.001			ABB GCE0940084P0103	0 592.0	3	0	2,850.00		
Total for Check/Tran - 69475:								10,574.00	
69476 10/2/25	CHK	821	CREDA					407.25	
CREDA 0925			CREDA Board Member Dues - Sept 2025	0 555.0	5	162	407.25		
69477 10/2/25	CHK	892	SAFETY-KLEEN SYSTEMS, INC					652.28	
97838484			Parts Washer Oil System Removal	0 548.0	4	220	652.28		
69478 10/2/25	CHK	907	BURNS & MCDONNELL ENGINEERING					4,558.76	
187633-1			WO10987 Campus Pole replacement	0 107.0	0	100	4,558.76		
69479 10/2/25	CHK	908	SECURITY INSTALL SOLUTIONS, INC					240.00	
I-11773			Oct Brivo OnAir Hosting	0 935.3	6	330	240.00		
69480 10/2/25	CHK	958	STANDARD PLUMBING SUPPLY CO					31.63	
ZFT270			black plug	0 548.1	4	235	2.64		
ZGWN44			ball valve	0 548.1	4	235	28.99		
Total for Check/Tran - 69480:								31.63	
69481 10/2/25	CHK	992	LOGAN ULIBARRI					521.80	
EF PER DIEM 1025			Electronic Fundamentals Per Diem	0 401.2	4	240	442.00		
			Electronic Fundamentals mileage	0 401.2	4	415	79.80		
Total for Check/Tran - 69481:								521.80	
69482 10/2/25	CHK	1014	TIMBERLINE GENERAL STORE					937.33	
188524			weed spray	0 935.0	1	187	26.99		
188530			Penstock project nuts & bolts	0 107.0	0	235	19.90		
188541			Penstock supplies	0 107.0	0	235	46.43		
188556			Penstock supplies	0 107.0	0	235	43.78		
188665			lightbulbs	0 935.0	1	187	24.99		
188711			Concrete anchoring epoxy	0 107.0	0	235	179.94		

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger					
Invoice			GL Reference	Div Account	Dept	ActvBU Project	Distr Amount	Amount	
188748			Acetone	0 107.0	0	235	26.99		
188753			CERMET SAW BLADE 8"	0 402.2	3	260	44.99		
188857			General supplies	0 548.0	4	375	104.95		
188830			Padlock combination	0 592.0	3	375	59.97		
188922			Penstock supplies	0 107.0	0	235	17.17		
M88969			Deluxe torch kit	0 107.0	0	235	99.99		
188963			Bolt cutter, padlock comb	0 107.0	0	235	93.97		
189007			#10077 material	0 107.0	0	235	64.73		
189072			cable shears	0 402.2	4	155	79.99		
189070			Penstock nuts & bolts	0 107.0	0	235	13.55		
189199			return on Inv 189142	0 107.0	0	235	-11.00		
Total for Check/Tran - 69482:								937.33	
69483 10/2/25	CHK	1038	UAMPS						1,539,059.81
HLP-0825			August 2025 Energy Usage payment	0 555.0	5	455	1,539,059.81		
69484 10/2/25	CHK	1051	UTAH COMMUNICATIONS INC						127.00
1385066			Dispatch handheld battery	0 935.1	6	235	127.00		
69485 10/2/25	CHK	1091	WASATCH AUTO PARTS						711.86
326955			Penstock repair material	0 107.0	0	235	35.00		
327022			Truck 207 steering stabalizer	0 935.2	4	187	62.74		
327112			Truck 249 wiper blades	0 935.2	4	235	52.98		
327113			Truck 202 oil seperator	0 935.2	4	235	157.69		
327114			Truck 205 oil seperator	0 935.2	4	235	157.69		
327116			Truck 207 oil seperator	0 935.2	4	235	157.69		
327148			Truck 274 Loom-split poly	0 935.2	4	235	11.45		
327228			Truck 245 hitch pin	0 935.2	4	235	13.99		
327229			Fleet - adapter	0 935.2	4	235	15.16		
327261			Truck 265 oil filter, air filter	0 935.2	4	340	36.48		
327230			Fleet - oil	0 935.2	4	235	10.99		
Total for Check/Tran - 69485:								711.86	

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div Account	Dept	Actv			
69486 10/2/25	CHK	1100	WASATCH COUNTY SOLID WASTE						320.00
30430			Weighed Load & Roll Off Fee	0 401.1	1	405		320.00	
69487 10/2/25	CHK	1131	WHEELER MACHINERY CO.						12,802.34
PS001958501			Unit 4 Intall parts	0 107.0	0	235		1,593.02	
PS001959393			Unit 14 filter,seal-o-rings,cover	0 548.1	4	235		713.58	
PS001960317			Black paint	0 107.0	0	235		111.65	
PS001960318			Unit 14 couplings	0 548.1	4	235		396.59	
PS001960319			Unit 14 Hose	0 548.1	4	235		292.80	
PS001961118			Unit 11 misc parts	0 107.0	0	235		9,583.90	
PS001961119			Unit 11 Spacers	0 107.0	0	235		110.80	
Total for Check/Tran - 69487:									12,802.34
69488 10/2/25	CHK	1145	PEHP GROUP INSURANCE FLEX						787.33
FLEX 10/2/25			Employee FSA Contributions	0 243.0	0	12		787.33	
69489 10/2/25	CHK	1146	LBH						2,611.43
20-110			Truck 259 service/repair	0 935.2	4	340		1,309.23	
20-111			Truck 245 service/repair	0 935.2	4	340		1,302.20	
Total for Check/Tran - 69489:									2,611.43
69490 10/2/25	CHK	1292	DELL MARKETING L.P.						212.97
10832848628			Laptop charger for Jordan	0 935.3	6	235		212.97	
69491 10/2/25	CHK	1299	TREY BUNKER						125.00
2025 PHYSICAL			2025 DOT Physical	0 401.0	1	95		125.00	
69492 10/2/25	CHK	1304	SVENDSEN AUTOMOTIVE PRODUCTS						524.29
29831			Fleet - Shop supplies	0 935.2	4	235		524.29	
69493 10/2/25	CHK	1305	INDUSTRIAL PIPING PRODUCTS INC						162.50
3038460			Unit 12 material	0 548.1	4	235		162.50	
69494 10/2/25	CHK	1331	HUMPHRIES INC						392.00

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger					
Invoice			GL Reference	Div Account	Dept	ActvBU Project	Distr Amount	Amount	
0002122738			Penstock project material	0107.0	0	235	392.00		
69495 10/2/25	CHK	1339	PURCELL TIRE AND RUBBER CO.					884.54	
280119254			Forklift Service/repair	0935.2	4	340	884.54		
69496 10/2/25	CHK	1341	NATE BIJOLLE					327.10	
BOOT REIMB 2025			2025 Boot reimbursement	0402.1	4	20	327.10		
69497 10/2/25	CHK	1348	THOMAS BYRNE					280.00	
UBIQUITI PERDIEM1025			Ubiquiti Wireless Trainin Per Diem	0401.2	6	240	280.00		
69498 10/2/25	CHK	1433	EXECUTECH					8,831.77	
UTH-223872			Security and IT services	0935.3	6	330	4,403.75		
UTH-227093			Security and IT services	0935.3	6	330	4,428.02		
Total for Check/Tran - 69498:								8,831.77	
69499 10/10/25	CHK	480	HEBER CITY CORPORATION					101,341.20	
OCT25 STIPENDS			Aaron Cheatwood HLP Board Stipend	0920.0	1	180	475.32		
			Heidi Franco HLP Board Stipend	0920.0	1	180	607.92		
			Sid Ostergaaurd HLP Board Stipend	0920.0	1	180	475.32		
0925-FRANCHISE			Franchise Tax Collection Remittance	0241.3	0	0	99,782.64		
Total for Check/Tran - 69499:								101,341.20	
69500 10/10/25	CHK	513	COLBY HOUGHTON					80.00	
UBIQUITIPERDIEM			Additional day of training Per Diem	0401.2	6	240	80.00		
69501 10/10/25	CHK	1348	THOMAS BYRNE					80.00	
UBIQUITI PERDIEM			Additional day of training Per Diem	0401.2	6	240	80.00		
69502 10/10/25	CHK	52	LEE'S MARKETPLACE HEBER					98.31	
55870			Drinks for the office	0921.0	1	375	54.95		
55866			zip lock bags for oil samples	0592.0	3	375	28.98		
55924			Crisco for Penstock project	0107.0	0	235	14.38		
Total for Check/Tran - 69502:								98.31	

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div	Account	Dept	Actv		
69503 10/10/25	CHK	194	SUNBELT RENTALS, INC						407.75
174065202-0001			Penstock Project - demolition hammer	0	107.0	0	235	407.75	
69504 10/10/25	CHK	261	CENTURYLINK						128.85
333474355SEP25			Sept-2025 Landline Phone Service	0	935.1	6	245	128.85	
69505 10/10/25	CHK	262	CENTURYLINK - DATA SERVICES						2,818.33
752766810			Sept 2025 IP & Data Service	0	935.1	6	175	2,818.33	
69506 10/10/25	CHK	267	CHARLESTON TOWN						3,455.45
0925-FRANCHISE			Franchise Tax Collection Remittance	0	241.5	0	0	3,455.45	
69507 10/10/25	CHK	323	DANIEL TOWN						2,629.28
0925-FRANCHISE			Franchise Tax Collection Remittance	0	241.6	0	0	2,629.28	
69508 10/10/25	CHK	325	SIGNARAMA						947.31
INV-20439			Station signs for school tours	0	426.4	1	285	196.88	
INV-20345			Truck Logo Magnets	0	554.0	4	250	172.53	
INV-20292			Vinyl number sets	0	554.0	4	250	130.00	
INV-20295			Truck decals	0	554.0	4	250	332.50	
INV-19245			Clear peaks, fire extinguisher stickers	0	554.0	4	250	115.40	
Total for Check/Tran - 69508:									947.31
69509 10/10/25	CHK	428	FREEDOM MAILING						6,077.36
51296			Sept 2025 Billing Cycle 1 Statements	0	921.5	1	55	6,077.36	
69510 10/10/25	CHK	480	HEBER CITY CORPORATION						1,225.50
10.23970.1 SEP25			Sept 2025 Heber Substation Water/Sewer	0	401.1	1	405	50.07	
10.24620.1 SEP25			Sept 2025 Operations Water/Sewer	0	401.1	1	405	214.05	
10.24625.1 SEP25			Sept 2025 Operations Water/Sewer	0	401.1	1	405	50.81	
10.24630.1 SEP25			Sept 2025 Line Shop Water/Sewer	0	401.1	1	405	151.60	
20.02049.0 SEP25			Sept 2025 Cowboy Village Water/Sewer	0	401.1	1	405	355.82	
20.02388.5 SEP25			Sept 2025 New Building water/sewer	0	401.1	1	405	240.99	
9.22740.1 SEP25			Sept 2025 Office Water/Sewer	0	401.1	1	405	162.16	

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger							
Invoice			GL Reference	Div	Account	Dept	Actv	BU	Project	Distr Amount	Amount
Total for Check/Tran - 69510:											1,225.50
69511 10/10/25	CHK	484	HEBER LIGHT & POWER CO								10,000.00
OCT25 RESERVE			Monthly Reserve Funding	0	131.2	0	0			10,000.00	
69512 10/10/25	CHK	646	LES SCHWAB TIRE CENTER								141.94
51600565019			Truck 267 tire mount	0	935.2	4	187			141.94	
69513 10/10/25	CHK	698	LYTHGOE DESIGN GROUP, INC								1,430.10
2822			August-2025 Design Hours - Admin Bldg	0	107.0	0	100			1,430.10	
69514 10/10/25	CHK	705	MIDWAY CITY OFFICES								36,790.54
0925-FRANCHISE			Franchise Tax Collection Remittance	0	241.4	0	0			36,790.54	
69515 10/10/25	CHK	740	IRBY CO.								16,098.50
S014373603.001			PO Material received	0	154.0	0	0			396.00	
S014363426.004			PO Material received	0	154.0	0	0			8,880.00	
S014363426.003			PO Material received	0	154.0	0	0			480.00	
S014372901.001			PO Material received	0	154.0	0	0			3,237.50	
			PO Material received	0	591.0	2	0			300.00	
S014273411.002			PO Material received	0	154.0	0	0			2,805.00	
Total for Check/Tran - 69515:											16,098.50
69516 10/10/25	CHK	862	PARKLAND USA CORPORATION								2,661.99
IN-874324-25			12956/ - Ridgeline HD Pre-Charge Gr	0	548.0	4	220			2,661.99	
69517 10/10/25	CHK	1007	UPS STORE								568.93
19771			2025 Oil Samples	0	592.0	3	255			420.76	
19907			Oil Samples	0	592.0	3	255			41.71	
19928			GPS return for Dept 591	0	591.0	2	350			62.33	
20305			Tool return for Dept 591	0	591.0	2	350			44.13	
Total for Check/Tran - 69517:											568.93
69518 10/10/25	CHK	1014	TIMBERLINE GENERAL STORE								28.56
189304			Nuts & Bolts	0	591.0	2	235			28.56	

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger							
Invoice			GL Reference	Div	Account	Dept	Actv	BU	Project	Distr	Amount
69519 10/10/25	CHK	1091	WASATCH AUTO PARTS								547.05
327519			Truck 262 hose fittings	0	935.2	4	235			195.96	
327520			Truck 205 Tie Rod parts	0	935.2	4	235			339.11	
327589			Truck 262 adapters	0	935.2	4	235			11.98	
Total for Check/Tran - 69519:											547.05
69520 10/10/25	CHK	1095	WASATCH COUNTY								475.32
OCT25 STIPEND			Oct 2025 HLP Board Stipend	0	920.0	1	180			475.32	
69521 10/10/25	CHK	1131	WHEELER MACHINERY CO.								11,409.10
SS000578178			Unit 5 Inlet/Exhaust valve	0	548.1	4	187			5,166.01	
SS000578177			Unit 12 Lubricate generator bearing	0	548.1	4	187			968.63	
SS000578176			Unit 11 Lubricate generator bearing	0	548.1	4	187			968.63	
SS000578175			Unit 4 Troubleshoot wiring harness	0	548.1	4	187			2,386.27	
PS001962756			Unit 11 Harness	0	107.0	0	235			531.05	
PS001962757			Unit 11 Bolts	0	107.0	0	235			23.05	
PS001965217			Unit 11 seat cleaner	0	107.0	0	235			182.71	
PS001964354			CAT Snoblower parts	0	935.2	4	235			149.55	
SS000578972			Unit 8 New part warranty	0	548.1	4	187			1,033.20	
Total for Check/Tran - 69521:											11,409.10
69522 10/10/25	CHK	1178	ZIPLOCAL								29.00
ZIPLOCAL-34370			September 2025 Yellow Pages Listing	0	935.1	6	245			29.00	
69523 10/10/25	CHK	1198	KEVIN PAYNE								475.32
OCT25 STIPEND			Oct 2025 HLP Board Stipend	0	920.0	1	180			475.32	
69524 10/10/25	CHK	1234	CATE INDUSTRIAL SOLUTIONS								6,938.00
Q52106			New Bldg air compressor, dryer	0	107.0	0	235			6,938.00	
69525 10/10/25	CHK	1300	OUTIFI								1,100.00
6034			Outifi Subscription, IVR Configuration	0	401.0	1	374			1,100.00	

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div Account	Dept	Actv			
69526 10/10/25	CHK	1348	THOMAS BYRNE						2,993.68
UBIQUITI HOTEL			Ubiquiti Hotel & Car reimbursement	0 401.2	6	185		2,993.68	
69527 10/10/25	CHK	1425	GOVERNMENT LEASING & FINANCE IN						154,082.67
564355410			Annual Unit 11 & 12 Lease Payments	0 227.0	0	0		143,857.05	
			Annual Unit 11 & 12 Interest Payments	0 427.0	0	0		10,225.62	
Total for Check/Tran - 69527:									154,082.67
69528 10/10/25	CHK	1433	EXECUTECH						2,023.82
UTH-230059			Security and IT services	0 935.3	6	330		2,023.82	
69529 10/16/25	CHK	1	PURCELL TIRE AND SERVICE CENTER						2,121.12
30429003			Truck 202 Tires	0 935.2	4	235		2,121.12	
69530 10/17/25	CHK	992	LOGAN ULIBARRI						2,406.17
EF TRAIN FUEL 1025			Electronic Fund Trainig Fuel	0 401.2	4	415		115.00	
EF TRAIN HOTEL 1025			Electronic Fundamentals Hotel	0 401.2	4	185		985.43	
EF TRAIN CAR RENTAL			Electronic Fundamentals car rental	0 401.2	4	415		1,305.74	
Total for Check/Tran - 69530:									2,406.17
69531 10/17/25	CHK	1	FLARE CONSTRUCTION LLC						37,800.00
6620			Gas line for the New Bldg	0 107.0	0	47		37,800.00	
69532 10/17/25	CHK	1	SHADE TREE CONSTRUCTION						2,890.00
1075			Penstock excavation	0 107.0	0	115		2,890.00	
69533 10/17/25	CHK	105	A T & T						71.13
0512678562001OCT25			Oct 2025 Phone Service	0 935.1	6	245		71.13	
69534 10/17/25	CHK	140	ALTEC IND						737,808.00
26007210			Truck 284 2026 Feightliner M2106 Digger	0 392.0	0	0		368,904.00	
26007195			Truck 285 2026 Feightliner M2106 Digger	0 392.0	0	0		368,904.00	
Total for Check/Tran - 69534:									737,808.00
69535 10/17/25	CHK	194	SUNBELT RENTALS, INC						559.20

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div Account	Dept	Actv			
174065202-0002			Rotary hammer rental	0 107.0	0	235		559.20	
69536 10/17/25	CHK	230	WILDING ENGINEERING						2,900.00
135273			North Sub ODEX Drilling	0 107.0	0	115		2,900.00	
69537 10/17/25	CHK	386	BORDER STATES INDUSTRIES INC.						2,246.27
931215094			Fleet - wiring up air compressor	0 935.2	4	235		855.65	
931223975			Fleet - strain relief cable grips	0 935.2	4	235		71.29	
931306563			Metering wire	0 586.0	7	235		1,279.11	
931314539			GFCI outlets	0 542.0	8	235		40.22	
Total for Check/Tran - 69537:									2,246.27
69538 10/17/25	CHK	624	LABRUM FORD						2,103.35
25002483			Truck 251 seat couchion, cover	0 935.2	4	235		593.35	
25002505			Truck 207 seat cushion, cover	0 935.2	4	235		935.00	
25002506			Truck 205 seat cushion, cover	0 935.2	4	235		575.00	
Total for Check/Tran - 69538:									2,103.35
69539 10/17/25	CHK	734	MOUNTAINLAND ONE STOP						34.07
161155			Forklift propane	0 935.2	4	130		34.07	
69540 10/17/25	CHK	740	IRBY CO.						37,006.00
S013564553.005			PO Material received	0 154.0	0	0		15,000.00	
S014312754.002			PO Material received	0 154.0	0	0		21,950.00	
S014384179.001			Fleet-30 amp breakers for truck lift	0 935.2	4	235		56.00	
Total for Check/Tran - 69540:									37,006.00
69541 10/17/25	CHK	825	LINDE GAS & EQUIPMENT INC						155.57
52177025			Stargon-Stargold Cylinder Rental	0 592.0	3	375		53.82	
52140521			Acetylene Cylinder Rental	0 592.0	3	375		101.75	
Total for Check/Tran - 69541:									155.57
69542 10/17/25	CHK	845	ENBRIDGE GAS						5,284.83
5060020000SEP25			Sep-25 Cogen Fuel Transport Charges	0 547.0	4	135		5,284.83	

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div Account	Dept	Actv			
69543 10/17/25	CHK	860	PETERSON TREE CARE						9,920.00
8014210375			Tree Growth Application	0 591.0	2	395		9,920.00	
69544 10/17/25	CHK	974	STONE SECURITY						1,452.00
82143			1 yr licence security	0 935.3	6	330		1,452.00	
69545 10/17/25	CHK	1051	UTAH COMMUNICATIONS INC						2,578.72
138565			Truck 270 radios	0 935.2	4	235		859.58	
			Truck 280 radios	0 935.2	4	235		859.57	
			Truck 281 radios	0 935.2	4	235		859.57	
Total for Check/Tran - 69545:									2,578.72
69546 10/17/25	CHK	1075	VERIZON WIRELESS						215.99
6124984737			October Data Coverage	0 935.1	6	175		215.99	
69547 10/17/25	CHK	1091	WASATCH AUTO PARTS						292.10
327964			Truck 266 drill bits	0 402.2	2	155		9.99	
			Truck 266 filter,washerfluid	0 935.2	4	187		99.69	
327950			Air compressor parts	0 935.2	4	235		85.46	
328105			Truck 285 harness,mounting bracket	0 935.2	4	235		96.96	
Total for Check/Tran - 69547:									292.10
69548 10/17/25	CHK	1100	WASATCH COUNTY SOLID WASTE						379.00
90083 OCT25			Office Oct - 2025 Waste Removal	0 401.1	1	405		110.00	
93539 OCT25			Oct - Operations Garbage Removal	0 401.1	1	405		269.00	
Total for Check/Tran - 69548:									379.00
69549 10/17/25	CHK	1131	WHEELER MACHINERY CO.						186.14
PS001969454			misc parts for WO11003	0 107.0	0	235		149.15	
PS001969455			nickel anti-seize	0 107.0	0	235		36.99	
Total for Check/Tran - 69549:									186.14
69550 10/17/25	CHK	1145	PEHP GROUP INSURANCE FLEX						787.33
FLEX 10/16/25			Employee FSA Contributions	0 243.0	0	12		787.33	

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div	Account	Dept	Actv		
69551 10/17/25	CHK	1188	WELLABLE LLC						1,170.00
40629			October Wellable Subscription	0	930.2	1	410	1,170.00	
69552 10/17/25	CHK	1276	HOSE & RUBBER						893.28
02117261			Unit 12 leaking coolant supply lines	0	548.1	4	235	442.27	
02117216			Fleet Shop Supplies	0	935.2	4	235	297.50	
02118337			Unit 12 Hydraulic dust cover	0	548.1	4	235	6.22	
02118634			Unit 12 pipe, steel	0	548.1	4	235	147.29	
Total for Check/Tran - 69552:									893.28
69553 10/17/25	CHK	1291	NORCO INC						302.12
0044693236			sweatband	0	402.1	4	265	16.34	
0044698950			Generation parts	0	548.0	4	235	142.89	
			Fleet parts	0	935.2	4	235	142.89	
Total for Check/Tran - 69553:									302.12
69554 10/17/25	CHK	1331	HUMPHRIES INC						37.37
0002125855			Penstock flux coated bronze rods	0	107.0	0	235	37.37	
69555 10/17/25	CHK	1332	SARGENT & LUNDY, L.L.C.						22,152.50
18397930			Sewer Plant Transmission	0	107.0	0	100	22,152.50	
69556 10/17/25	CHK	1336	JAMIE LITTLE TRUCKING						350.00
1610			CDL Driving Test - Kolbe Ward	0	401.2	2	325	350.00	
69557 10/24/25	CHK	844	PEHP GROUP INSURANCE						260.46
652411			Nov 2025 Bond Post Retiree Ins Premium	0	926.1	1	12	260.46	
69558 10/24/25	CHK	1	JO & JOEL PIEPER						7,000.00
105			Mastec/Comcast JB 1597095 70 poles	0	591.0	2	100	7,000.00	
69559 10/24/25	CHK	1	JO & JOEL PIEPER						500.00
104			UBB/FIF UBB Heber Hangar 5 poles	0	591.0	2	100	500.00	
69560 10/24/25	CHK	55	CENTER CREEK CONSTRUCTION						5,000.00

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Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger					
Invoice			GL Reference	Div Account	Dept	ActvBU Project	Distr Amount	Amount	
1327			Plant 3 A/C Condenser concrete pad	0 548.0	4	373	5,000.00		
69561 10/24/25	CHK	105	A T & T					146.83	
0300550933001OCT25			Oct 2025 Phone Service	0 935.1	6	245	146.83		
69562 10/24/25	CHK	167	SMITH HARTVIGSEN,PLLC					11,113.50	
71009			Sept - Legal General Matters	0 923.0	1	440	8,062.50		
71010			Sept - Travel Time	0 923.0	1	440	480.00		
71011			Sept - Jonsson v Pacificorp litigation	0 923.0	1	440	2,571.00		
Total for Check/Tran - 69562:								11,113.50	
69563 10/24/25	CHK	194	SUNBELT RENTALS, INC					273.77	
174886450-0001			Demolition cordless hammer	0 107.0	0	235	273.77		
69564 10/24/25	CHK	206	BLUE STAKES OF UTAH 811					992.88	
UT202502637			September 2025 Staking Notifications	0 591.0	2	15	992.88		
69565 10/24/25	CHK	214	ELEMENT LAND SURVEYING					9,500.00	
223225			Surveys Midway Sewer ponds	0 107.0	0	100	3,200.00		
223234			New Campus Pole replacement	0 107.0	0	47	6,300.00		
Total for Check/Tran - 69565:								9,500.00	
69566 10/24/25	CHK	246	CANYON OVERHEAD DOORS					220.00	
36521			realigned photo eyes on door	0 935.0	1	225	220.00		
69567 10/24/25	CHK	261	CENTURYLINK					230.61	
333725663OCT25			Oct-2025 Phone Charges 435-654-7103	0 935.1	6	245	134.99		
333725665OCT25			Oct-2025 Phone Charges 435-654-1682	0 935.1	6	245	55.80		
333641720OCT25			Oct-2025 Phone Charges 435-654-1118	0 935.1	6	245	39.82		
Total for Check/Tran - 69567:								230.61	
69568 10/24/25	CHK	320	CUWCD					420,745.00	
590			September Jordanelle Hydro Energy	0 555.0	5	162	420,745.00		
69569 10/24/25	CHK	353	DISH NETWORK					182.11	

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger						
Invoice			GL Reference	Div	Account	Dept	Actv	BU Project	Distr Amount	Amount
DISH-1125			November Cable Subscription	0	401.0	5	374		182.11	
69570 10/24/25	CHK	386	BORDER STATES INDUSTRIES INC.							296.14
931334291			Truck 202 Bolt cutters	0	402.2	2	155		153.65	
931334307			Clamp-on entrance cap	0	107.0	0	235		142.49	
Total for Check/Tran - 69570:										296.14
69571 10/24/25	CHK	456	GRAINGER, INC.							47.65
9657829066			820 Air Compressor oil	0	548.0	4	187		47.65	
69572 10/24/25	CHK	611	JOSH GILES							1,437.79
SURVELANT 1025			Survelant Training Hotel	0	401.2	3	185		1,256.60	
			Survelant Training Ubers	0	401.2	3	415		181.19	
Total for Check/Tran - 69572:										1,437.79
69573 10/24/25	CHK	637	VALLEY HARDWARE							51.98
3345			Anchor adhesive	0	107.0	0	235		51.98	
69574 10/24/25	CHK	644	US BANK NATIONAL ASSOCIATION							276,479.16
51954			Oct - 2023 Bond Payment	0	136.61	0	18		176,750.00	
43471			Oct - 2012 Bond Payment	0	136.2	0	18		8,666.66	
43502			Oct - 2019 Bond Payment	0	136.6	0	18		91,062.50	
Total for Check/Tran - 69574:										276,479.16
69575 10/24/25	CHK	646	LES SCHWAB TIRE CENTER							20.99
51600565975			Truck 278 flat tire repair	0	935.2	4	187		20.99	
69576 10/24/25	CHK	698	LYTHGOE DESIGN GROUP, INC							691.95
2829			Sept-2025 Design Hours - Admin Bldg	0	107.0	0	100		691.95	
69577 10/24/25	CHK	716	DELTA FIRE SYSTEMS							21,546.00
993260			New Bldg Fire Alarm System #7	0	107.0	0	47		3,776.00	
993262			New Bldg Fire Supression System #7	0	107.0	0	47		17,770.00	
Total for Check/Tran - 69577:										21,546.00

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger							
Invoice			GL Reference	Div	Account	Dept	Actv	BU	Project	Distr	Amount
69578 10/24/25	CHK	723	MOUNTAIN STATES FENCE CO								2,810.00
22190			Fence repairs Lake Creek	0	542.0	8	187			1,200.00	
			Fence repairs Operations	0	935.0	1	187			1,610.00	
Total for Check/Tran - 69578:											2,810.00
69579 10/24/25	CHK	736	PROTELESIS CORPORATION								525.24
I-101603			October SIP Trunk Support	0	935.1	6	245			525.24	
69580 10/24/25	CHK	740	IRBY CO.								120,092.30
S014282934.003			PO Material received	0	154.0	0	0			129.00	
S014320595.001			PO Material received	0	154.0	0	0			517.50	
S014351112.004			PO Material received	0	154.0	0	0			225.00	
S014388702.001			Fleet - Fuses	0	935.2	4	235			180.00	
S014329087.005			PO Material received	0	154.0	0	0			21,950.00	
S014082736.018			PO Material received	0	154.0	0	0			30,300.00	
S014079922.009			PO Material received	0	154.0	0	0			33,400.00	
S014363426.005			PO Material received	0	154.0	0	0			950.00	
S014390234.002			PO Material received	0	154.0	0	0			2,382.50	
S014390234.001			PO Material received	0	154.0	0	0			297.50	
S013915172.015			PO Material received	0	154.0	0	0			29,700.00	
S014192213.007			PO Material received	0	154.0	0	0			1,035.80	
S014396500.001			credit on Inv S014192213.007	0	154.0	0	0			-975.00	
Total for Check/Tran - 69580:											120,092.30
69581 10/24/25	CHK	746	FUEL NETWORK								4,987.99
F2603E00847			September 2025 Fleet Fuel	0	935.2	4	130			4,987.99	
69582 10/24/25	CHK	768	CANON SOLUTIONS AMERICA								109.41
6013404969			Office Click Counts	0	921.0	1	275			58.37	
6013405216			Operations Click Counts	0	921.0	1	275			51.04	
Total for Check/Tran - 69582:											109.41
69583 10/24/25	CHK	844	PEHP GROUP INSURANCE								74,156.22

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger					
Invoice			GL Reference	Div Account	Dept	ActvBU Project	Distr Amount	Amount	
652588			COBRA - Mecham	0 926.0	1	12	688.66		
			Nov 2025 Health/Vision Insurance Premiu	0 926.0	1	12	70,503.97		
			Retiree Benefit Prem	0 926.1	1	12	2,963.59		
Total for Check/Tran - 69583:								74,156.22	
69584 10/24/25	CHK	845	ENBRIDGE GAS						42.37
0382516748OCT25			Probst House Oct Gas Charges	0 401.1	1	405	28.93		
8060020000OCT25			Operations Oct Meter Fee	0 401.1	1	405	13.44		
Total for Check/Tran - 69584:								42.37	
69585 10/24/25	CHK	862	PARKLAND USA CORPORATION						2,159.26
IN-904266-25			Oil for Fleet	0 554.0	4	220	2,159.26		
69586 10/24/25	CHK	878	ESCI						3,040.00
14975			Oct 2025 Safety & Training Services	0 402.1	1	315	3,040.00		
69587 10/24/25	CHK	892	SAFETY-KLEEN SYSTEMS, INC						1,964.05
98350775			Parts Washer Oil Recovery	0 548.0	4	220	1,964.05		
69588 10/24/25	CHK	922	SHRED-IT USA						163.40
8012166919			Operations Shredding Service	0 921.0	1	75	82.22		
8012168074			Office Shredding Service	0 921.0	1	75	81.18		
Total for Check/Tran - 69588:								163.40	
69589 10/24/25	CHK	1075	VERIZON WIRELESS						112.33
6125518730			Sep 9 - Oct 8 SCADA	0 592.0	3	320	112.33		
69590 10/24/25	CHK	1091	WASATCH AUTO PARTS						283.83
328150			Truck 266 multi tow wire connector	0 935.2	4	235	61.99		
328288			Truck 205 Tie end rod, steering stabaliz	0 935.2	4	187	216.63		
328307			Credit return on Inv 327520	0 935.2	4	235	-184.29		
328360			Truck 207 coolant o-rings	0 935.2	4	235	13.25		
328369			Truck 278 booster cables, pin clip	0 935.2	4	235	104.27		
328459			Truck 275 adapter	0 935.2	4	235	47.99		

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger					
Invoice			GL Reference	Div Account	Dept	ActvBU Project	Distr Amount		Amount
328532			Truck 275 Tow socket	0935.2	4	235	23.99		
Total for Check/Tran - 69590:									283.83
69591 10/24/25	CHK	1131	WHEELER MACHINERY CO.						147,911.27
PS001970232			Unit 11 Heater	0548.1	4	235	147.06		
PS001970234			Unit 14 wiper	0548.1	4	235	74.64		
PS001971902			Unit 4 gages	0107.0	0	235	365.04		
PS001972573			Unit 11 misc parts	0107.0	0	235	1,912.48		
PS001971901			Unit 4 Battery, Aircleaner parts	0107.0	0	235	2,970.24		
SS000581707			Unit 13 Lubricate gen bearing	0548.1	4	187	2,870.97		
PS001971085			Unit 4 Gas train material	0107.0	0	235	9,833.22		
SS000580860			Unit 11 remove/install air cleaner	0107.0	0	373	59,698.26		
			Unit 11 remove/install air cleaner	0548.1	4	235	9,815.41		
SS000580861			Unit 11 remove/install cylinder head	0107.0	0	373	49,027.61		
PS001970233			mat absorbents	0548.0	4	187	220.78		
			mat absorbents	0591.0	2	187	220.78		
SS000580862			Unit 11 remove/install cylinder pack	0107.0	0	47	10,754.78		
Total for Check/Tran - 69591:									147,911.27
69592 10/24/25	CHK	1244	BUD MAHAS CONSTRUCTION, INC						1,327,150.00
2307 00 #17			New Bldg Pay Request #17	0107.0	0	47	1,327,150.00		
69593 10/24/25	CHK	1263	EPIC ENGINEERING						3,042.50
20252094			Material Testing on NewBldg-July/Aug2025	0107.0	0	100	3,042.50		
69594 10/24/25	CHK	1305	INDUSTRIAL PIPING PRODUCTS INC						1,279.33
3039937			Gasline Install WO10077	0107.0	0	235	1,279.33		
69595 10/24/25	CHK	1389	SLATE ROCK FR						460.54
94093			Nate Bijolle FR Clothing	0402.1	4	125	460.54		
69596 10/24/25	CHK	1419	WORKFORCEQA, LLC						250.00
INV124134			Employee drug screening	0401.0	1	95	250.00		
69597 10/24/25	CHK	1467	NISC						13,269.46

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger					
Invoice			GL Reference	Div Account	Dept	ActvBU Project	Distr Amount	Amount	
641004			Mapping Production GIS Project	0 591.0	2	355	850.00		
			Sept 2025 Bank Fees	0 921.4	1	25	356.61		
			Sept 2025 PDF Posting to accounts	0 921.5	1	270	178.12		
641711			Sept 2025 - Monthly Software Fee	0 401.0	1	355	11,884.73		
Total for Check/Tran - 69597:								13,269.46	
69598 10/31/25	CHK	401	KARLY SCHINDLER						930.38
WOBI AIRFARE 1125			WOBI Conference Airfare	0 401.2	1	10	536.98		
WOBI PER DIEM 1125			WOBI Conf Per Diem	0 401.2	1	240	322.00		
			WOBI Conf mileage	0 401.2	1	415	71.40		
Total for Check/Tran - 69598:								930.38	
69599 10/31/25	CHK	987	WES ROWLEY						374.00
IPSA PER DIEM 1125			IPSA Hotline School per diem	0 401.2	2	240	374.00		
69600 10/31/25	CHK	1153	RILEY WRIGHT						374.00
IPSA PER DIEM 1125			IPSA Hotline School per diem	0 401.2	2	240	374.00		
69601 10/31/25	CHK	1230	BURK COLEMAN						374.00
IPSA PER DIEM 1125			IPSA Hotline School per diem	0 401.2	2	240	374.00		
69602 10/31/25	CHK	1285	KOLBE WARD						374.00
IPSA PER DIEM 1125			IPSA Hotline School per diem	0 401.2	2	240	374.00		
69603 10/31/25	CHK	1350	CHASE BRERETON						374.00
IPSA PER DIEM 1125			IPSA Hotline School per diem	0 401.2	3	240	374.00		
69604 10/31/25	CHK	1356	CHASE SABEY						374.00
IPSA PER DIEM 1125			IPSA Hotline School per diem	0 401.2	3	240	374.00		
69605 10/31/25	CHK	1	GEORGE BENNETT						500.00
BENNETT, REBATE 1025			EV Charger rebate	0 555.2	1	110	500.00		
69606 10/31/25	CHK	1	GREG JOHNSON						200.00
JOHNSON, REBATE1025			Heat tape timer rebate	0 555.2	1	490	200.00		

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr	Amount	Amount
				Div	Account	Dept				
Invoice			GL Reference							
69607 10/31/25	CHK	1	JOE TUGAW							600.00
TUGAW, REBATE 1025			Tier 2 A/C rebate	0	555.2	1	160		550.00	
			Fridge rebate	0	555.2	1	300		50.00	
Total for Check/Tran - 69607:										600.00
69608 10/31/25	CHK	1	KELSEY MADDEN							75.00
MADDEN, REBATE 1025			Thermostat rebate	0	555.2	1	385		75.00	
69609 10/31/25	CHK	1	LUMEN TECHNOLOGIES							395.57
1MN218396			Claim P-542464MB 210 W Main St	0	591.0	2	47		395.57	
69610 10/31/25	CHK	1	MATTHEW NIELSEN							500.00
NIELSEN, REBATE 1025			EV Charger rebate	0	555.2	1	110		500.00	
69611 10/31/25	CHK	1	MICHAEL SANTIAGO							600.00
SANTIAGO, REBATE1025			Ductless Mini Split rebate	0	555.2	1	160		600.00	
69612 10/31/25	CHK	1	MIDWEST COMMERCIAL INTERIORS							274,337.08
11079			50% payment on new furniture	0	107.0	0	235		274,337.08	
69613 10/31/25	CHK	1	REDMOND							2,349.00
002723			WOBI Conference - Karly Schindler	0	401.2	1	390		2,349.00	
69614 10/31/25	CHK	1	RHET MARSING ENTERPRISES, DBA RM							56,925.00
841-88-97			Fabricated Lineman Lockers	0	107.0	0	235		56,925.00	
69615 10/31/25	CHK	1	TERRY NIMMO							1,800.00
NIMMO, REBATE 1025			Tier 3 Heat pump rebate	0	555.2	1	160		1,800.00	
69616 10/31/25	CHK	1	TIFFANY TILL							750.00
TILL, REBATE 1025			Tier 3 AC rebate	0	555.2	1	160		750.00	
69617 10/31/25	CHK	1	TRIP ARMSTRONG							75.00
ARMSTRONG,REBATE1025			Smart Thermostat rebate	0	555.2	1	385		75.00	
69618 10/31/25	CHK	1	TYLER JOHNSON							500.00

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger					
Invoice			GL Reference	Div Account	Dept	ActvBU Project	Distr Amount	Amount	
JOHNSON,REBATE 1025			EV Charger rebate	0 555.2	1	110	500.00		
69619 10/31/25	CHK	11	VESTIS						363.88
4583530885			Coverall Rental	0 402.1	4	125	90.97		
4583533725			Coverall Rental	0 402.1	4	125	90.97		
4583536746			Coverall Rental	0 402.1	4	125	90.97		
4583539676			Coverall Rental	0 402.1	4	125	90.97		
Total for Check/Tran - 69619:									363.88
69620 10/31/25	CHK	87	MCMASTER-CARR						41.99
54406612			Steel U-bolt	0 107.0	0	235	41.99		
69621 10/31/25	CHK	216	JAN-PRO OF UTAH - MIDVALE						1,709.00
355907			Janitorial Service for Nov 2025	0 401.1	1	30	1,709.00		
69622 10/31/25	CHK	230	WILDING ENGINEERING						11,240.00
135385			Airport Rd Rebuild and loop	0 107.0	0	100	4,470.00		
135384			North Dam Sub Surveying	0 107.0	0	100	6,770.00		
Total for Check/Tran - 69622:									11,240.00
69623 10/31/25	CHK	336	VLCM						1,775.14
IN164348			Microsoft 365 software	0 935.3	6	355	1,775.14		
69624 10/31/25	CHK	428	FREEDOM MAILING						5,119.34
51454			Sept 2025 Billing Cycle 2 Statements	0 921.5	1	55	5,119.34		
69625 10/31/25	CHK	448	CORPORATE TRADITIONS, INC						1,650.00
7EA9D7F9-0012			Q3 Safety Incentives	0 402.1	1	315	1,650.00		
69626 10/31/25	CHK	500	COMFORT SYSTEMS USA						854.00
10014216			Winterize swamp coolers	0 935.0	1	187	854.00		
69627 10/31/25	CHK	734	MOUNTAINLAND ONE STOP						38.33
161831			Forklift propane	0 935.2	4	130	38.33		

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10/01/2025 To 10/31/2025

Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger							
Invoice			GL Reference	Div	Account	Dept	Actv	BU	Project	Distr	Amount
69628 10/31/25	CHK	735	MOUNTAINLAND SUPPLY CO.								38.81
S107355960.001			Fleet shop supplies	0	554.0	4	375			5.06	
S107355960.002			Fleet Shop supplies	0	554.0	4	375			33.75	
Total for Check/Tran - 69628:											38.81
69629 10/31/25	CHK	740	IRBY CO.								31,080.00
S013981227.004			PO Material received	0	154.0	0	0			5,450.00	
S014265081.003			PO Material received	0	154.0	0	0			1,750.00	
S014272411.006			PO Material received	0	154.0	0	0			2,340.00	
S014147164.017			PO Material received	0	154.0	0	0			19,500.00	
S014398076.001			YGLV 12-3265-60-M GROUND GLOVE	0	402.1	2	0			2,040.00	
Total for Check/Tran - 69629:											31,080.00
69630 10/31/25	CHK	892	SAFETY-KLEEN SYSTEMS, INC								1,359.70
98279704			Parts Washer Oil Recovery	0	548.0	4	220			1,359.70	
69631 10/31/25	CHK	907	BURNS & MCDONNELL ENGINEERING								54,055.04
138985-18			Gas Plant Sub	0	107.0	0	100			14,821.56	
			North Dam Sub	0	107.0	0	100			3,654.67	
			South Sub	0	107.0	0	100			3,420.36	
			Fault checks at Southfield	0	592.0	3	100			3,562.88	
187633-2			WO10987 Gas plant to Heber Sub	0	107.0	0	100			28,595.57	
Total for Check/Tran - 69631:											54,055.04
69632 10/31/25	CHK	958	STANDARD PLUMBING SUPPLY CO								50.68
ZKG043			teflon tape,ptfe tape, sealant	0	107.0	0	235			39.37	
ZKRW73			PSI tire pressure gauge	0	592.0	3	235			11.31	
Total for Check/Tran - 69632:											50.68
69633 10/31/25	CHK	1014	TIMBERLINE GENERAL STORE								1,174.37
189142			Penstock material	0	107.0	0	235			223.14	
189166			Penstock material	0	107.0	0	235			352.78	
189440			Penstock Tie-down ratchet,Tie downs	0	107.0	0	235			269.91	

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10/01/2025 To 10/31/2025

Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger					
Invoice			GL Reference	Div Account	Dept	ActvBU Project	Distr Amount	Amount	
189483			Upper Snake Creek Supplies	0 542.0	8	375	106.74		
189502			Upper Snake Creek Supplies	0 542.0	8	375	144.84		
189651			Chainsaw chain	0 402.2	1	260	29.99		
189951			Truck 205 supplies	0 591.0	2	375	46.97		
Total for Check/Tran - 69633:								1,174.37	
69634 10/31/25	CHK	1038	UAMPS						1,188,091.46
HLP-0925			September 2025 Energy Usage payment	0 555.0	5	162	1,188,091.46		
69635 10/31/25	CHK	1084	GBS BENEFITS, INC						196.00
939208			Teladoc October Premium	0 926.0	1	12	196.00		
69636 10/31/25	CHK	1091	WASATCH AUTO PARTS						396.45
328742			Power rated V-belt	0 935.0	1	375	17.96		
328719			Truck 257 disc brake, air filter	0 935.2	4	235	187.95		
328748			Truck 257 brakes	0 935.2	4	235	93.98		
328833			Truck 264 black gasket maker	0 935.2	4	235	18.58		
328916			steel electrodes	0 107.0	0	235	42.98		
328918			Truck 264	0 935.2	4	235	35.00		
Total for Check/Tran - 69636:								396.45	
69637 10/31/25	CHK	1131	WHEELER MACHINERY CO.						7,442.07
PS001974826			bolts	0 548.0	4	235	91.40		
PS001975564			Unit 11 parts	0 107.0	0	235	3,615.31		
SS000582853			Unit 1 Retrofit controller kit	0 548.1	4	235	1,560.36		
PS001977599			LA CAT Training - Logan Ulibarri	0 401.2	4	390	2,175.00		
Total for Check/Tran - 69637:								7,442.07	
69638 10/31/25	CHK	1145	PEHP GROUP INSURANCE FLEX						787.33
FLEX 10/30/25			Employee FSA Contributions	0 243.0	0	12	787.33		
69639 10/31/25	CHK	1188	WELLABLE LLC						170.00
40175			October Wellable Subscription	0 930.2	1	410	170.00		

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10/01/2025 To 10/31/2025

Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger							
Invoice			GL Reference	Div	Account	Dept	Actv	BU	Project	Distr	Amount
69640 10/31/25	CHK	1223	WCSD TRANSPORTAION DEPARTMENT								316.25
23241618			JR Smith 4th grade field trip buses	0	426.4	1	285			172.20	
23241605			Daniels Canyon 4th grade Buses	0	426.4	1	285			72.95	
23241606			Daniels Canyon 4th grade Buses	0	426.4	1	285			71.10	
Total for Check/Tran - 69640:											316.25
69641 10/31/25	CHK	1276	HOSE & RUBBER								2,504.97
02123047			Fleet Shop supplies	0	554.0	4	375			2,504.97	
69642 10/31/25	CHK	1291	NORCO INC								130.99
0044839144			steel blade,magnetic level	0	402.2	4	155			130.99	
69643 10/31/25	CHK	1305	INDUSTRIAL PIPING PRODUCTS INC								31.86
3040540			steel forged fittings	0	107.0	0	235			31.86	
69644 10/31/25	CHK	1327	NEXUS IT								8,090.69
162417			November Onsite & Remote Support	0	935.3	6	380			4,200.00	
162418			November NEX-Core Tooling + NOCaaS	0	935.3	6	335			3,890.69	
Total for Check/Tran - 69644:											8,090.69
69645 10/31/25	CHK	1415	UTB TRANSFORMERS								2,280.00
6253			PO Material received	0	154.0	0	0			2,280.00	
Total for Bank Account - 1 :										(220)	7,720,274.46
Grand Total :										(220)	7,720,274.46

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PARAMETERS ENTERED:**Check Date:** 10/01/2025 To 10/31/2025**Bank:** All**Vendor:** All**Check:****Journal:** All**Format:** GL Accounting Distribution**Extended Reference:** No**Sort By:** Check/Transaction**Voids:** None**Payment Type:** All**Group By Payment Type:** No**Minimum Amount:** 0.00**Authorization Listing:** No**Credit Card Charges:** No

Agenda Item 2: Discussion and Possible
Approval of a Change to Organization
Agreement Regarding the Dividened
Calculation



Board Meeting Novemeber 19, 2025

HEBER LIGHT & POWER COMPANY ORGANIZATION AGREEMENT

On October 9, 2014, Heber City, Utah, Midway City, Utah, and Charleston Town, Utah made and entered this organization agreement pursuant to the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended.

RECITALS

WHEREAS Heber City, Midway City and Charleston Town had previously created the Heber Light & Power Company pursuant to an agreement for joint and cooperative action under the Act.

WHEREAS under the original agreement for joint and cooperative action, Heber City had a 75% interest in the Company, Midway City had a 12.5% and Charleston Town had a 12.5%.

WHEREAS Heber City, Midway City and Charleston Town have, from time to time, amended the original agreement for joint and cooperative action.

WHEREAS the Parties wish to amend, modify, and restate their agreement for joint and cooperative action as set forth in this Organization Agreement.

WHEREAS the Parties desire and intend for this Organization Agreement to replace and supersede all prior agreements among Heber City, Midway City and Charleston Town concerning the Company's creation, organization, management and powers, and concerning the Parties' respective rights and interests in the Company or its assets.

NOW THEREFORE, the Parties agree as follows:

A. Definitions

Capitalized terms in this Organization Agreement shall have the following meanings

1. “Act” shall mean the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as it may be amended from time to time.
2. “Alternate” shall mean a councilperson selected as provided in Paragraph H. 2, by the Heber Mayor, the Midway Mayor, the Charleston Mayor, or the Chairperson of the Wasatch County Council to serve for a Director who is temporarily unable to serve.
3. “Board” or “Board of Directors” shall mean the Company’s board of directors and governing body of the Company as provided in Paragraph H of this Organization Agreement.
4. “Chair” is defined in Paragraph H. 2.
5. “Charleston” shall mean Charleston Town, Utah.
6. “Company” shall mean Heber Light & Power Company, an interlocal entity created by the Parties under the Act to accomplish the purpose of their joint or cooperative action as set forth in this Organization Agreement.
7. “Designee” shall mean the councilperson selected as provided in Article H. 2. to serve in the place of the Midway City Mayor, the Charleston Mayor, or the Wasatch County Chairperson.
8. “Director” shall mean a member of the Company’s Board of Directors selected as provided in Article H.
9. “Distributable Income” is defined in Article J. 2.
10. “Heber” shall mean Heber City, Utah.
11. “Midway” shall mean Midway City, Utah.

12. “Organization Agreement” shall mean this agreement.

13. “Party” or “Parties” shall mean Heber, Midway and Charleston either individually or collectively.

14. “Party’s Company Share” shall mean for Heber City, a 75% interest; Midway City, a 12.5% interest; and Charleston Town, a 12.5% interest.

15. “Third Party” shall mean a public agency, as defined in the Act, that has been selected or approved by the remaining Parties to purchase the interest of the withdrawing Party and that has agreed to become a party to this Organization Agreement.

B. Creation of Heber Light & Power Company

1. The Parties hereby confirm: (a) that the Heber Light & Power Company is an interlocal entity and an energy services interlocal entity created by them under the Act to accomplish the purpose of their joint or cooperative action as set forth herein, (b) that, as an interlocal entity, it is a body politic and corporate and a political subdivision of the State of Utah, and (c) that it is a legal entity separate and distinct from the Parties.

2. Pursuant to the Act, the Parties have elected to make the Company an energy services interlocal entity.

3. The Company shall be named the Heber Light & Power Company. The Board may change the name of the Company.

4. From and after the effective date of this Organization Agreement, it shall supersede, in all respects, any prior agreements of the Parties concerning the creation, organization, management, or powers of the Company, and concerning the Parties’ respective rights and interests in the Company or its assets.

5. The Company shall be bound by each and every resolution, contract and agreement, enacted by the Company or executed by the Company prior to the effective date of this Organization Agreement, including, without limitation, all resolutions, bond resolutions and indentures, ownership agreements, participation agreements, transmission service contracts, transmission purchase contracts, power sales contracts and power purchase contracts. The Company's present rights and obligations under such resolutions, indentures, contracts and agreements shall in no way be affected by this Organization Agreement.

C. Location

The Company's offices will be in Heber City, Wasatch County, State of Utah, unless a different location is chosen by a majority of the Board.

D. Franchise

The Parties hereby confirm their grant to the Company of an exclusive franchise and right to provide electric power and energy to the Parties, their inhabitants, and others, during the term of this Organization Agreement. The franchise shall not terminate if a Party withdraws under Paragraph O.

E. Purpose

1. The purpose of this Organization Agreement and of the creation the Company is to permit the Parties to benefit from the efficiencies and economies of scale that result from the Company's operation, maintenance and acquisition of facilities, services, and improvements that are necessary or desirable for the acquisition, generation, transmission, management, and distribution of electric energy and related services for the use and benefit of the Parties, their citizens, and the inhabitants of surrounding areas.

2. The Company and its operation of an electric system for the distribution of electric energy and related services is necessary to provide services and facilities in a manner, and pursuant to a form of governmental organization, that will accord best with geographic, economic, population and other factors influencing the needs and development of the Parties hereto, and to provide the benefit of economies of scale, economic development and utilization of natural resources.

3. The Parties have determined that, in order to accomplish these purposes and realize the benefits set forth in *Utah Code Ann.* § 11-13-102, it may be necessary for the Company (upon the determination of the Board) to create, construct, or otherwise acquire facilities or improvements to render services or provide benefits in excess of those required to meet the Parties' needs or requirements.

F. Company's Powers

To accomplish the purposes set forth in Paragraph E, the Company shall have all powers conferred on an interlocal entity and on an energy services interlocal entity by the Act. In addition, the Parties hereby confirm their delegation to the Company of all powers possessed by the Parties: (1) to own and operate electric generation, transmission and distribution facilities that provide or deliver electric energy and related services to persons within the Parties' municipal boundaries and in the surrounding areas, and (2) to exercise, in furtherance of its purpose, the power of eminent domain. Without limiting the foregoing, the Company's powers include the power to:

1. adopt, amend, and repeal rules, bylaws, policies, and procedures for the regulation of its affairs and the conduct of its business;

2. set rates for services, charge fees (including impact fees), and assess penalties or deny service for violation of Company policies and rules,
3. sue and be sued;
4. have an official seal and alter that seal at will;
5. make and execute contracts and other instruments necessary or convenient for the performance of its duties and the exercise of its powers and functions;
6. acquire or dispose of real or personal property, or an undivided, fractional, or other interest in real or personal property, necessary or convenient for its purposes sell, lease, or otherwise dispose of that property;
7. directly or by contract with another: (a) own and acquire facilities and improvements or an undivided, fractional, or other interest in facilities and improvements; (b) construct, operate, maintain, and repair facilities and improvements; and (c) provide the services contemplated in this Organization Agreement;
8. borrow money, incur indebtedness, and issue revenue bonds, notes, or other obligations and secure their payment by an assignment, pledge, or other conveyance of all or any part of the revenues and receipts from the facilities, improvements, or services that the Company provides;
9. offer, issue, and sell warrants, options, or other rights related to the bonds, notes, or other obligations issued by the Company;
10. sell or contract for the sale of the services, output, product, or other benefits provided by the Company;
11. own, acquire, and, by itself or by contract with another, construct, operate, and maintain a facility or improvement for the generation, transmission, and transportation of electric energy or related fuel supplies;
12. enter into a contract to obtain a supply of electric power and energy and ancillary services, transmission, and transportation services, and supplies of natural gas and fuels necessary for the operation of generation facilities;
13. sell its services within the Parties' boundaries and in the surrounding areas, and
14. adopt and implement risk management policies and strategies and enter into transactions and agreements to manage the risks associated with the purchase and

sale of energy in competitive markets, including forward purchase and sale contracts, hedging, tolling and swap agreements, and other instruments.

G. Assets

1. The Company's assets shall include all real and personal property, whether tangible or intangible, used in any way in the Company's acquisition, generation, transmission, management, and distribution of electric energy and related services. These assets include: (a) generators, (b) transformers, (c) transmission lines, (d) water rights, storage facilities, and hydro plants with related real property, (e) office, (f) accounts receivable and cash, (g) fuel supplies, (h) easements, (i) distribution facilities, (j) equipment and inventory, (k) trade name, and (l) going concern value.

2. The Company's assets shall be held in the name of and owned by the Company. The Parties confirm their relinquishment and transfer to the Company of any ownership that they may have in the Company's assets.

H. Board of Directors

1. The Board of Directors shall manage the affairs of the Company, and shall exercise on behalf of the Company all of the powers provided by this Organization Agreement and the laws of the State of Utah.

2. The Board of Directors shall have six members selected as provided in this Paragraph H.

- a. The Heber Mayor shall be the chair ("Chair") and a Director of the Board.
- b. The Chair shall select two Heber councilpersons to serve as Directors.
- c. The Midway Mayor shall be a Director or shall select a Midway councilperson ("Designee") to serve as a Director.

- d. The Charleston Mayor shall be a Director or shall select a Charleston councilperson (“Designee”) to serve as a Director.
- e. The chairperson (“Chairperson”) of the Wasatch County Council shall be a Director or shall select a County councilperson (“Designee”) to serve as a Director. This Director position does not entitle Wasatch County to any ownership in or distributions from the Company.

Directors will serve at the pleasure of the Chair, Mayor, or Chairperson that selected them and may be removed by them without cause.

A Director may also designate an Alternate from the Director’s municipal or county councils to serve as a Director when the Director is temporarily unable to serve.

3. The Heber City Mayor shall be the permanent Chair of the Board. The Board will select the Board’s other officers including Vice Chair and Secretary, the latter of which need not be a Director.

4. Four (4) Directors shall constitute a quorum of the Board for the purpose of conducting the business of the Company and exercising its powers and for all other purposes. When a quorum is in attendance, action may be taken by the Board upon a vote of the majority of its Directors present except as otherwise provided in this Organization Agreement.

5. A Director representing a Party may call for a Party Only Vote on any issue. A Party Only Vote shall only occur when Heber’s three Directors, Charleston’s one Director, and Midway’s one Director are present. No other Directors may vote. If all of the Parties’ Directors are not present, then the Party Only Vote shall be continued until the next Board meeting at which all Party Directors are present.

In the event of a Party Only Vote, Directors’ votes will be weighted as follow: (a) the votes of the Heber City Directors shall each have a 25% weight, (b) the vote of the Midway City

Director shall have a 12.5% weight, and (c) the vote of the Charleston Town Director shall have a 12.5% weight. In the event of a Party Only Vote, the Board shall act based upon a greater than 50% vote, except as otherwise provided in this Organization Agreement.

In the event of a Party Only Vote, Alternates shall not vote nor be counted in determining the presence of a quorum under this Paragraph H.

6. The Board may adopt and amend Bylaws not inconsistent with this Organization Agreement or the laws of the State of Utah. The Bylaws may include rules governing regular and special meetings of the Board; quorum and voting requirements; the establishment of offices; the indemnification of Directors, officers, employees, representatives and agents; compliance with open meetings laws; and for such other matters as the Board may determine.

7. No Director shall be liable to the Company for breach of any fiduciary duty owed by such Director, except for damages arising out of: (a) a breach of the Director's duty of loyalty to the Company; (b) any act or omission not in good faith or which involves intentional misconduct or a knowing violation of law; or (c) any transaction from which the Director derived an improper personal benefit.

8. Meetings of the Board may be held through electronic communication, as provided for in written procedures adopted by the Board. A Director participating in a meeting through such means shall be considered present for purposes of a quorum and voting.

9. Each Director shall make diligent efforts to inform the governing body of the Party, that the Director represents, of the Company's business including, but not limited to, the Company's operations, long-term contracts, debts, and general financial condition. The Parties agree that they are individually responsible for ensuring that their Director representative keeps

them properly informed of the Company's business.

I. Budget and Financing

1. The Company's operation and maintenance will be financed with revenue from the sale of electric energy and related services and other available moneys.

2. The Company may also finance improvements, such as new construction and upgrade of existing facilities, through the issuance of revenue bonds. Revenue bonds may be issued by the Company from time to time for any purpose permitted under the Act. Any bond issued by the Company is not a debt of any Party, and may be issued without the consent of the Parties' governing bodies.

3. Annually, on or before January 1, the Company shall adopt a budget for the ensuing year in accordance with the requirements of its bond resolutions or indentures. At a minimum, each annual budget shall set forth, in reasonable detail, estimates of:

- a. revenues and operating and maintenance expenses;
- b. debt service and reserve requirements;
- c. cost of upgrade and/or replacement of existing facilities; and
- d. amount of contingency reserves to pay unexpected energy price fluctuations and equipment failures or to provide rate stabilization.

The Company will send a copy of the annual budget to the clerk/recorder for each of the Parties.

4. The Company shall monthly provide the Parties' representatives on the Board with a monthly statement of revenue and expenses.

5. No Party to this Organization Agreement shall be liable for any bond, note, indebtedness or other obligation incurred by the Company, or be liable for the indebtedness of

any other Party to this Organization Agreement, or be liable for any indebtedness or contractual or other obligation with respect to the Company's operations.

J. Distributable Income

1. The Company may periodically pay its Distributable Income to the Parties as provided in this Paragraph J.

2. "Distributable Income" means the amount, if any, of the Company's net income that is available for distribution to the Parties after the payment of all operating expenses and debt service costs of the Company and the funding of all rate stabilization, surplus or similar funds established under the Company's bond indenture or resolution, or of any contingency reserves determined by the Board to be reasonably necessary to pay unexpected energy price fluctuations and equipment failures or to provide rate stabilization. The amount of Distributable Income shall not exceed the available amount on deposit in the rate stabilization, surplus or similar fund established under the Company's bond indenture or resolution.

3. At its first meeting after the end of a quarter, the Board shall determine: (a) whether the Company has Distributable Income and whether it will make a distribution from its Distributable Income, (b) when the distribution will be made, and (c) how much of the Company's Distributable Income will be available for distribution. The Board shall have the sole discretion to make distributions from Distributable Income, and the Parties shall have no right to a distribution unless the Board approves the distribution.

4. Nothing in this Organization Agreement is intended nor should be interpreted to prohibit the Board from permitting the Company to accumulate revenues from its operation that exceed its debt reserves and reasonable operation and contingencies reserves.

5. If the Board determines to make a distribution from Distributable Income, each Party shall be entitled to a pro rata portion of the distribution based on their Company Share.

K. Distribution of Assets on Termination

Upon the termination of this Organization Agreement, the Board will sell the Company's assets, pay its debts and obligations and distribute the balance to each Party pro rata based on each Party's Company Share.

L. Transfer of Company Assets to a Party

1. The Board may authorize the transfer of Company assets to a Party when the Board determines that the transfer is in the Company's best interest, and is in compliance with the provisions of this Paragraph L.

2. The sale of Company assets to a Party must be approved by an affirmative vote of four Directors, notwithstanding the provisions of Article H. 5.

3. Upon approval of the Board, the asset will be sold to the Party for its fair market value as determined by an independent appraisal prepared at the expense of the Party purchasing the asset. The Party purchasing the asset will pay the purchase price upon transfer of the asset, unless the Board unanimously agrees that payments may be made over time.

M. Relationship and Liability of Parties

1. Nothing in this Organization Agreement is intended nor should it be interpreted to make the Parties liable or responsible for the actions, debts, obligations, liabilities or defaults of the Company.

2. Nothing contained in this Organization Agreement is intended nor should it be interpreted to create an agency, partnership, joint venture, or any other relationship between or

among Heber City, Midway City, Charleston Town, the Company or any two or more of them that would in any way make one them liable for the actions, debts, obligations, liabilities or defaults of another.

3. The Company is not the agent for the Parties, either individually or collectively.

4. The Parties acknowledge and agree that the protection afforded to the Parties under the Utah Governmental Immunity Act, Title 63G, Chapter 7, Utah Code Annotated 1953, as amended (the “Immunity Act”), shall be extended to the Company and its Directors, officers and employees. It is the express intention of the Parties that all of the protection afforded to the Parties and their officers and employees under the Immunity Act shall be extended to the Company and its Directors, officers and employees. Each of the Parties hereby delegates to the Company and its Directors, officers and employees, to the extent permitted by law, all of the powers, privileges and immunities conferred by the Immunity Act.

5. The Company shall indemnify and defend the Directors and the Company’s employees as provided in the Immunity Act.

N. Amendments

1. As provided in this Paragraph N., this Organization Agreement may be amended in any way that does not jeopardize or adversely affect any existing contracts, notes, bonds or other evidence of indebtedness, provided that such amendment shall not subject any Party hereto to any dues, assessments or liability without its consent.

2. The Board shall approve any proposed amendment to this Organization through a resolution proposing the amendment to the governing bodies of the Parties for approval. The resolution shall only be approved by an affirmative vote of five Directors voting by a Party Only

Vote as provided in Paragraph H. 5. The voting shall be a Party Only Vote even if a Party does not call for a Party Only Vote.

3. Upon approval of at least two of the three Parties' governing bodies, the amendment shall become effective.

O. Withdrawal from Organization Agreement

A Party may withdraw from this Organization Agreement on the following terms and conditions:

1. The withdrawing Party shall give the Company and the remaining Parties twelve months written notice of the Party's intention to withdraw.

2. Within thirty days of receipt of the notice of withdrawal, the Board shall reject the notice of withdrawal only if: (a) the Parties' withdrawal would adversely affect the Company's contract rights and/or bond obligations, or (b) the withdrawal leaves only one remaining Party and no Third Party will purchase the withdrawing Party's interest and the remaining Party does not consent to the withdrawal.

3. If the Board accepts the notice of withdrawal, the remaining Parties or a Third Party may purchase the interest of the withdrawing Party on the following terms:

- a. Within sixty days of the Board's acceptance of the notice of withdrawal, the remaining Parties would notify the withdrawing Party: (i) of the remaining Parties' intent to purchase the withdrawing Party's interest or (ii) of a Third Party's intent to purchase the withdrawing Party's interest.
- b. The remaining Parties or the Third Party would pay the withdrawing Party an amount equal to the withdrawing Party's Company Share times the Company's net book value. For the purposes of this provision, net book value would equal the Owner's Equity as reflected on the Company's most recent audit report.

- c. The remaining Parties or Third Party would pay the purchase price in quarterly installments over a twenty year period. The purchase price would accrue interest at a reasonable rate not greater than the rate paid by the Utah State Treasury Pool during each year that a balance is due.

4. The withdrawing Party is prohibited from revoking or altering in any fashion the franchise of the Company to provide electrical service to the withdrawing Party, its residents, or the residents in the surrounding areas.

P. Termination of Organization Agreement

1. Except as provided in Paragraph P. 2 below, the Company shall have a perpetual existence.

2. If all the Parties agree, the Parties may terminate this Organization Agreement and dissolve the Company after the later of:

- a. five years after the Company has fully paid or otherwise discharged all of its indebtedness;
- b. five years after the Company has abandoned, decommissioned, or conveyed or transferred all of its interest in its facilities and improvements; or
- c. five years after the Company's facilities and improvements are no longer useful in providing the service, output, product, or other benefit of the facilities and improvements, as determined under the agreement governing the sale of the service, output, product, or other benefit.

Q. Governing Law

This Organization Agreement is made in the State of Utah, under the Constitution and laws of this State and is to be construed pursuant to such laws.

R. Severability

Should any part, term, or provision of this Organization Agreement be held by the Courts to be illegal or in conflict with any law of the State of Utah, or otherwise rendered unenforceable

or ineffectual, the validity of the remaining portions or provisions shall not be affected by such ruling.

S. Effective Date

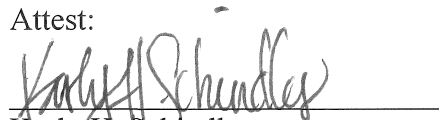
This Organization Agreement shall take effect upon: (1) approval of the Board and (2) review by each of the Parties' respective attorneys as provided in *Utah Code Ann.* § 11-13-202.5(3).

The foregoing amendments to and restatement of the Organization Agreement were approved by the Board of Directors on October 9, 2014 by a unanimous Party Only Vote:



Alan W. McDonald, Chair
Board of Directors
Heber Light & Power Company

Attest:



Karly H. Schindler
Secretary, Board of Directors

HEBER LIGHT & POWER COMPANY

BOARD RESOLUTION No. 2025-09

RESOLUTION APPROVING AMENDMENTS TO THE HEBER LIGHT & POWER COMPANY ORGANIZATION AGREEMENT

WHEREAS the Heber Light & Power Company (“Company”) is an energy services interlocal entity created by Heber City, Midway City, and Charleston Town (“Members”) to provide electric service to customers within the municipalities and surrounding areas.

WHEREAS the Company exists pursuant to an organization agreement (the “Organization Agreement”) among the Members under the Utah Interlocal Cooperation Act.

WHEREAS the current version of the Organization Agreement is dated as of October 9, 2014.

WHEREAS the Organization Agreement contemplates amendments and updates as needed and sets forth a process for making such changes, with such process requiring the affirmative vote of the five directors voting by a party-only vote.

WHEREAS the Company now finds it necessary to make certain changes to the Organization Agreement relating to the definition of “distributable income.”

WHEREAS the Board has carefully considered the suggested amendments to the Organization Agreement.

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

1. Paragraph J.2. of the current Organization Agreement is replaced in its entirety with the following language:

“Distributable Income” means the amount, if any, of the Company’s net income before depreciation or amortization that is available for distribution to the Parties after the payment of all operating expenses and debt service costs of the Company and the funding of all rate stabilization, surplus, or similar funds established under the Company’s bond indenture or resolution, or of any contingency reserves determined by the Board to be reasonably necessary to pay the costs of unexpected energy price fluctuations, equipment failures, or replacement or repair of self-insured assets or to provide rate stabilization. The amount of Distributable Income shall not exceed the available amount on deposit in the rate stabilization, surplus, or similar fund established under the Company’s bond indenture or resolution.

2. The Board hereby reaffirms its prior approval and adoption of the unchanged portions of the current Organization Agreement.

3. In accordance with Paragraph N.3. of the Organization Agreement, the amended language above shall take effect only after approval of the amended language by the governing bodies of at least two of the Members.

4. This resolution shall be null and void if the required Member governing body approvals are not received within six months of the date of this resolution.

APPROVED AND ADOPTED the 19th day of November 2025.

HEBER LIGHT & POWER COMPANY

Heidi Franco, Board Chair

Attest:

Rylee Allen, Board Secretary

Agenda Item 3: Approval of the 2026-2030 Strategic Plan



Board Meeting November 19, 2025

NOVEMBER 19, 2025



HLP STRATEGIC PLAN

2026-2030

HEBER LIGHT & POWER COMPANY
31 S 100 W, HEBER CITY, UT 84032

MISSION STATEMENT

The company's mission is to provide its customers with safe, reliable energy, in an open, responsible, and environmentally sound manner while undertaking a commitment to the values of integrity, innovation, accountability and community service, and to promote an internal culture that fosters safety, loyalty and creativity as well as maintaining a highly skilled, motivated workforce.



COMPANY OBJECTIVE

Heber Light & Power Company is a Utah energy services interlocal entity formed by Heber City, Midway City, and Charleston Town to safely acquire, operate, and maintain facilities for providing services and improvements that are necessary for the acquisition, generation, transmission, distribution and management of electric energy and related services for the use and benefit of the company's customers.

COMPANY VALUES

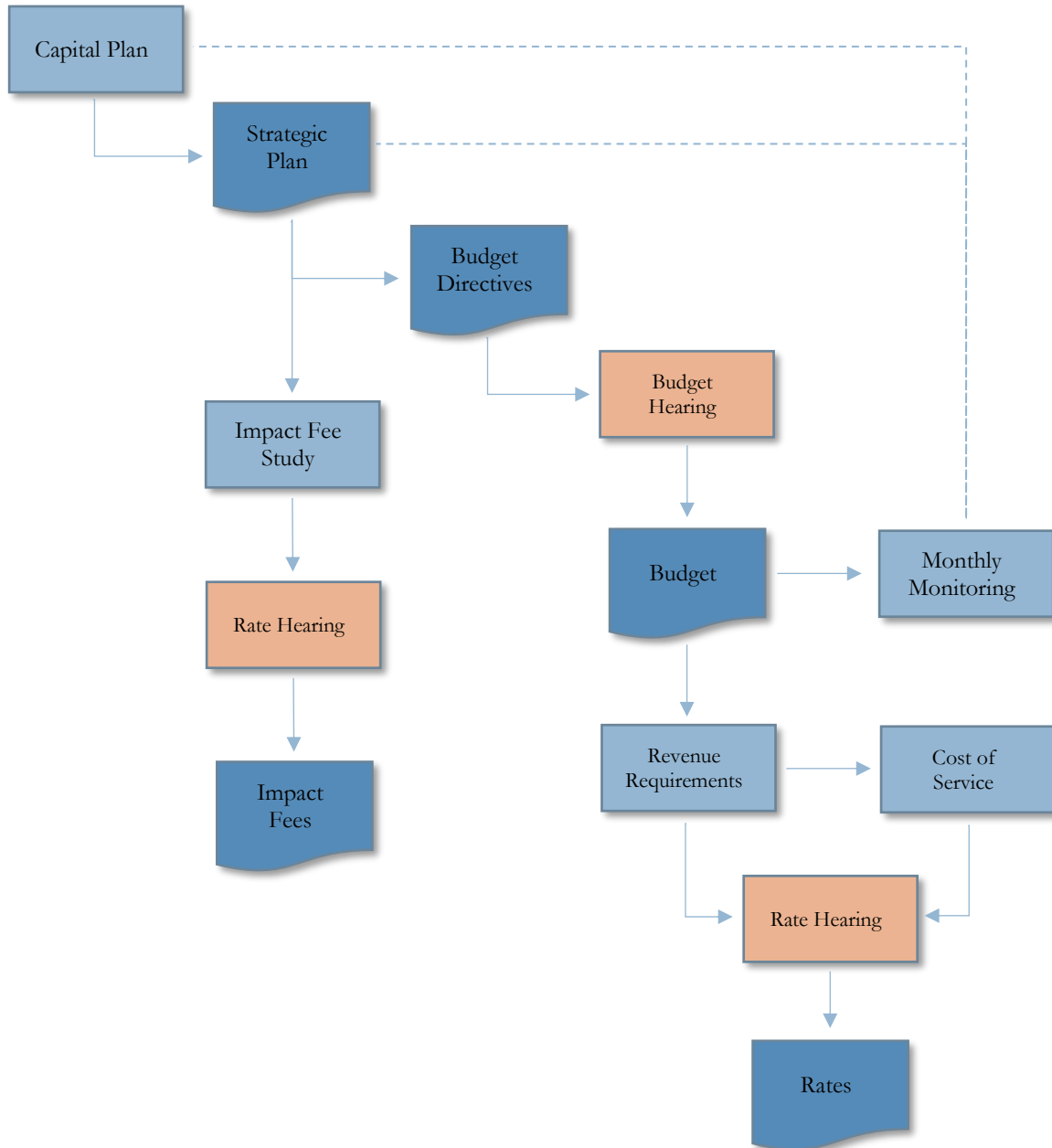
Heber Light & Power Company is driven by five key values that define the character of the company and its interactions with the customer base. These values are as follow:

- SAFETY – We ensure safety for ourselves, our co-workers, and the public.
- TEAMWORK – We look out for each other and achieve results by working together as a team toward common goals.
- RESPONSIBILITY – We are responsible for our actions, our resources, and the financial integrity of The Company.
- RESPECT – We have respect for each individual and consider the impact of our actions.
- INTEGRITY – We have integrity and honesty in all that we do.



PLANNING & BUDGET PROCESS

Heber Light & Power Company uses a defined process each year to ensure appropriate financial assets are available to meet the needs of the company and the system overall. This process allows the stakeholders to provide valuable input at the appropriate times. Through this interaction, HLP is then able to work towards achieving its mission. The process is as follows:



SWOT ANALYSIS

Heber Light & Power Company undertakes an annual SWOT analysis to ensure that the company is appropriately aligned to obtain its mission and abide by its values. This analysis is as follows:

STRENGTHS:

- Energy Portfolio Diversification
- Employees (Experience, Focus, Skills)
- Restoration Speeds
- Safety Culture
- Customer Service
- Solid Infrastructure
- Real-time Energy Scheduling
- Distributed Generation Program
- Community Partner
- Clear Direction (Local Control)
- Relationships within the Valley
- Built-in Automation
- Energy Efficiency Program
- Rate Structure
- Impact Fee

WEAKNESSES:

- Staffing (Succession Planning)
- System Capacity
- Changing Technology
- Fraud Potential
- Growth Pressures
- Transparency
- Accidents / Safety

OPPORTUNITIES:

- New Power Sources
- Strong Local Growth
- System Growth
- New Technology
- Advanced Rate Designs
- Strategic Partnerships
- 138kV System
- Advanced Mapping Systems
- Communication Outreach & Tools
- Enhanced Equipment Functionality
- Regulatory Environment
- Annexation
- Reduced Environmental Footprint
- Expanded Community Leadership
- Board Member Training

THREATS:

- Cyber-Security Threats
- Supply Chain & Tight Labor Markets
- Environmental Regulations
- Employee Related Regulatory Issues
- Threatened Litigation
- Affordable Housing
- Transmission Provider Cost & Policies
- Extreme Weather
- Wildfires
- Costs and Availability of Liability Insurance
- Permitting New Projects
- Debt Systems & Policies
- Wholesale Power

SWOT WEAKNESSES MITIGATION MEASURES

- Staffing (Succession Planning) – Senior Staff has identified critical positions and developed a succession plan to backfill in the event of a vacancy.
- System Capacity – The system continues to grow at an aggressive rate. Staff has taken measures to anticipate 10-year capacity projects so as to ensure timely energization of critical assets.
- Changing Technology – HLP actively monitors emerging technologies, pilots new systems in advance of full adoption, invests in staff training, and maintains a regular technology refresh cycle to minimize risk and ensure long-term reliability.
- Fraud Susceptibility – All systems are susceptible to fraud brought on by collusion and control weaknesses. HLP has undertaken multiple measures to layer preventative and detective controls for all financial systems.
- Growth Pressures – In addition to system constraints, growth also presents challenges through other avenues. Proper staffing, equipment, resources, and communications are critical to the success of the Company. HLP regularly reviews these needs and works to ensure that the position of being current or advanced planning is undertaken.
- Transparency – To strengthen transparency, HLP publishes regular performance and project updates, hosts public information sessions, and makes design approaches and planning documents accessible to customers to foster trust and engagement. Staff communicates and makes itself available to address concerns as they rise.
- Accidents / Safety – HLP enforces mandatory OSHA-aligned safety training, conducts regular safety audits, tracks incidents and near-misses, and promotes a proactive safety culture to minimize accidents and ensure employee well-being.

SWOT THREATS MITIGATION MEASURES

- Cyber-Security Threats – Technology in the energy sector is ever changing and frequently advancing. With these advancements, additional risk of cyber-security accompanies the advancements. As such, HLP has undertaken more aggressive means by which to test critical systems, provide insurance against weaknesses through duplicate systems and financial policies, and invest in the latest security measures.
- Supply Chain and Tight Labor Markets – The supply chains are constrained, and labor markets are difficult to stay current with emerging trends. Because this is the case, HLP has stepped up its efforts to anticipate growth and other critical needs. Although the risk of carrying higher than typical inventory levels, Staff has undertaken significant efforts to forecast needed materials and reduce the risk of supply chain elements. Furthermore, competitive wage and benefit pages are regularly monitored to ensure adequate shielding of labor market impacts.
- Environmental Regulations – Environmental activism continues to impact HLP and its operations. Staff have attempted to foresee these changes and adopt policies and practices necessary to not only comply but early adopt and thus control the implementation schedules.
- Employee Related Regulatory Issues – The everchanging workplace dictates that the workforce also adjusts to follow suit. As these adjustments take place, regulations are implemented to ensure the protection of employees. HLP attempts to anticipate these changes and proactively adopt policies and procedures to mitigate the risks associated with these changes.
- Threatened Litigation – HLP mitigates this risk by strengthening contract language, investing in employee training on compliance and customer interaction, maintaining strong community relations, and conducting periodic legal risk reviews. Where residual risks remain, appropriate insurance coverage is obtained as a safeguard.

- Affordable Housing – In addition to company-owned rentals and expanded call radius, HLP explores partnerships with local housing developers, evaluates housing stipends or relocation assistance, and considers employee assistance programs to improve long-term housing access and retention.
- Transmission Provider Cost and Policies – Energy resources utilized by the Company are disbursed throughout the Western United States. As such, it is imperative that such resources are wheeled across transmission lines owned by other utilities. HLP has a risk of these wheeling rates increasing without much say in the matter. As such, the Company updates the annual budget to capture current rates as well as utilizing a Power Cost Adjustment Mechanism (PCAM) in the current period.
- Extreme Weather – HLP factors long-range forecasts into its planning, implements system hardening projects such as proactive vegetation management, selective undergrounding of lines, and redundant infrastructure, and maintains emergency response protocols to minimize outage and revenue impacts.
- Debt Systems and Policies – To mitigate these risks, HLP maintains conservative debt ratios, engages financial advisors, diversifies funding sources, and conducts scenario planning to anticipate impacts before undertaking debt issuance.
- Wholesale Power – Securing adequate energy for resale and ensuring appropriate delivery to the HLP system has multiple challenges. Staff undertake numerous approaches to ensure best pricing and right resourcing from hedges to hourly scheduling.

STRATEGIC ANCHORS

Heber Light & Power Company adheres to a series of anchors that enable the company to focus on individualized goals while remaining firm in our attempt to fulfill our mission.



Financial Excellence - *Objectives*

We strive to establish a stable and financially prudent environment by which HLP delivers its mission. Maintain financial health and stability through solid rate structures, revenue growth, strong industry partnerships, maintaining high bond ratings, cost management, capital planning, properly reflected impact fees, and proper checks and balances. Strategically monitoring and ensuring proper reserve balances and sources.

1. **Maintain a Solid Rate Structure**

Customer rates are the bedrock of our service. Appropriate rate design ensures that HLP can provide safe, reliable energy while warranting that our customers are charged a fair rate that minimizes cross-class subsidization.

2. **Liquidity**

Solid liquidity ensures that HLP can maintain strong partnerships with industry suppliers. HLP strives to ensure that adequate cash flows are available for both operational as well as capital drivers.

3. **Bond Ratings**

To adhere to the cost causation principle, HLP obtains financing from time to time to appropriately charge the customer base for capital improvements. As such the sale of bonds is an integral part of the HLP financing strategy and thus the need to enhance performance to maximize bond ratings.

4. **Cost Management**

As a public utility, HLP endeavors to ensure that expenditures are prudent and of the highest value before undertaking them. A solid purchasing policy ensures that competitive bidding is undertaken on all key services and items.

5. **Revenue Growth**

The HLP system continues to grow as new customers are added to the system each month. This increased customer base has provided additional revenue to the company in addition to new rate schedules. HLP employs these increased revenues to continue to be an innovative utility by advancing the technological opportunities present to the company and its customers.



Financial Excellence - *Measurement*

HLP has identified the following as measures of financial position. Many of these measures are shown in the Trends-At-A-Glance sheet included with the monthly financial statements.

- ***Days Cash-on Hand:*** Days Cash-on Hand measures the number of days we can cover our operating expenses using unrestricted cash and investments and assumes no additional revenue is collected. This is an important measure of liquidity used by the rating agencies.
- ***Debt Service Coverage:*** Debt service coverage is a ratio of net revenues to annual debt service and is an indication of HLP's ability to meet its annual debt service obligations. Coverage requirements are set forth within HLP's bond resolutions and financial policies.
- ***Fixed Charge Coverage:*** Fixed charge coverage measures the margin of funds available to meet current debt service requirements and fixed or "debt-like" obligations related to purchased power.
- ***Debt to Capitalization Ratio:*** This is a measure of the level of debt as compared to HLP's asset base. Targets are established within HLP's financial approach and are an important measure used by the rating agencies.
- ***O&M Costs per Customer:*** HLP evaluates Operating & Maintenance costs per customer.
- ***Investment Yield:*** HLP seeks to maximize investment yield while preserving principal and investing only in those instruments allowed by State law.
- ***External and Internal Audit Results:*** Demonstrate compliance with laws, regulations, policies, and procedures.

Financial Excellence - *Actions*

1. Continue to provide cost-based rates by completing frequent cost of service studies and rate plans.
2. Increase revenue by exploring new revenue streams.
3. Maintain high bond ratings by improving business practices and managing financial ratios.
4. Manage costs by creating a cost management strategy for improved budgeting processes, project management, and accurate estimates and billing. Proactively addressing wholesale power costs.
5. Improve capital planning and budgeting process and capital needs anticipation to ensure that projects are funded, prioritized, and completed on time.
6. Evaluate and improve effectiveness of risk management, control, and governance processes by developing and implementing internal auditing processes.
7. Maintain and refine the monthly Trends-At-A-Glance sheet for Board review.

Customer Communications and Service - *Objectives*

We strive to establish a customer focused environment by which HLP delivers on its mission. Provide superior communication and service through public outreach geared towards promoting public power and increasing awareness of our projects, programs, and service, while continuing to provide excellent customer service by building strong customer relationships, maintaining transparency, and integrating programs and tools to build a smart grid for improved service.



1. **Best Value for the Cost**

HLP strives to provide reliable electricity at reasonable rates. In addition, we strive to provide additional services, options and programs that provide value to our customers.

2. **Reliability**

As a company, HLP desires to limit service interruptions to our customers. Efforts are regularly undertaken to mitigate the risks associated with mother nature, human interaction, and cyber-security impacts on the system.

3. **Service**

HLP prides itself on the service provided to customers. From the initial interaction at account creation through billing concerns and a myriad of other contact reasons, HLP staff seeks to provide timely, friendly, and appropriate service. Our local presence and shared impacts lend itself to customer service that far exceeds the standard investor-owned utility experience.

4. **Communication/Transparency**

HLP seeks to be as transparent as possible. Creating and following a dynamic Strategic Communications Plan will align staff in sharing a consistent meaningful message and define the best channels to reach target audiences. HLP also intends on being transparent by adhering to the State's transparency requirements as well as the public meeting protocols.

5. **Engagement**

HLP encourages customer engagement through an open-door policy. In addition, the Company has multiple outreach events throughout the year in which employees are engaged with the public.



Customer Communications and Service - *Measurement*

HLP has identified the following as measures of customer service.

- ***Customer Communication:*** HLP attempts to communicate regularly with our customers via newsletters, billing statements, social media platforms, and Public Power Week events.
- ***Annual Rate Comparisons:*** HLP benchmarks the rate structures and values with other utilities throughout the state.
- ***Service Order Process:*** HLP tracks the completion of service orders as we strive to complete them in less than 48 business hours from the time the notification was received.
- ***Percentage of Customer Payments made electronically:*** Electronic payments offer an efficient and convenient method for customers to pay their bill. HLP measures the number and value of payments made via electronic means.
- ***Conservation Savings:*** HLP measures conservation savings each year as measured against goals established by the conservation potential assessment.
- ***Customer Participation:*** HLP will measure the involvement of the community through Advisory Board Participation, Public Event Attendance, Social Media Exposure/Tracking, etc....

Customer Communications and Service - *Actions*

1. Raise awareness of the benefits of public power by improving the strategic communications plan.
2. Engage with customers and gain their support by communicating plans, projects, programs, and services with an emphasis on public awareness of current and future transmission and distribution projects.
3. Reach more customers with valuable information by consulting with marketing and communications experts and increasing communication channels.
4. Build strong customer relationships and key account partnerships by improving customer outreach.
5. Maintain transparency with on-time reporting and maintaining an up-to-date website.
6. Integrate programs and tools to build a smart grid for improved customer service and prompt outage restoration.
7. Improve internal communications and cross-departmental training for improved service request response.

Safety Culture - Objectives

Foster a safety culture that strives to continuously improve safety measures to uphold the highest safety standards by improving and implementing cyber and physical security plans, disaster recovery plans, system hardening, and maintaining a safety program based on the APPA safety manual and OSHA requirements that is followed and supported by management and all employees. Active Safety Committee to ensure safety measures are established, implemented, and monitored as well as creating a HLP Safety Manual.

1. Training

HLP strives to ensure that employees are adequately and appropriately trained. From the first day of employment through the last-day, HLP strives to place regular safety training opportunities in the paths of employees. Annual electronic safety training is completed in addition to hands-on training such as fire extinguisher, first-aid, and CPR training. In addition, key members of staff are given the opportunity to take part in 3rd-party vendor provided safety instruction.

2. System Maintenance

One of the safest ways to provide energy to our customers is to ensure that the system is properly maintained. From installing good equipment to regularly maintaining vegetation and other environmental factors, HLP strives to undertake those efforts that best protect the system which in-turn protects the customer and employee alike.



3. Job Briefings / Tailboards

HLP strives to step back and take a moment each time a new task/project is to be undertaken. These safety tailboards allow crew members to discuss the safety and operational implications of the task before them. It allows the foreman to ensure that appropriate safety equipment is available and the proper training for usage has been undertaken.

4. Safety Meetings

All departments within the company host a monthly safety meeting. Attendance at one of these meetings is mandatory each month for each employee. Various topics are discussed throughout the year. Some of the topics lend themselves to hands-on experiences while others are strictly information relay. In either case, the employee is present and attentive.

5. Inspections

The HLP system has been designed to work efficiently and economically. It does however have many parts/components that do have a life cycle. As such, regular and periodic inspections must be undertaken to ensure that the system operates at its optimal level. These inspections are conducted via in-person, via drone technology, and via 3rd party when necessary.

Safety Culture - *Measurement*

HLP has identified the following as measures of the safety culture.

- ***Lost-time Accident Numbers:*** HLP tracks and reports any incidents that resulted in lost-time.
- ***Near-miss Accident Numbers:*** HLP tracks and reports any incidents that were a near-miss accident that could have resulted in lost-time or worse for an employee.
- ***Modified Work Assignment:*** HLP monitors the safety of its employees by ensuring modified work assignments are provided in the event a health event merits such an adjustment to the work schedule.
- ***Safety Meeting Attendance:*** HLP monitors the overall attendance by its employees at the required monthly safety meetings.
- ***Safety Training Attendance:*** HLP tracks the attendance of its employees at various safety training opportunities that present themselves throughout the year.

Safety Culture - *Actions*

1. Protect infrastructure with a physical security plan and employee awareness training.
2. Increase cyber security by establishing a cyber security plan for prevention and recovery that is tested with annual assessments.
3. Encourage cyber security awareness by providing training focused on technical mitigation and response.
4. Prepare for a coordinated emergency response by reviewing disaster recovery plan on an annual basis and participating in annual drills.
5. Maintain a safe system by completing and documenting asset maintenance and inspections for all plant assets in the system that require maintenance.
6. Increase safety awareness by maintaining a safety program that is based on the APPA safety manual and followed and supported by management and all employees.

Workforce - Objectives

Strive to develop, retain, and attract dedicated professionals by setting high employee performance standards, offering valuable and strategic training and growth opportunities, and providing competitive compensation, wages, and reward programs based on frequent wage studies and updated pay policies.

1. Retention

HL&P strives to retain its investment in employees. It is the company practice to provide an attractive combination of compensation, benefits, reward programs, and to foster employee engagement and a positive and innovative working environment.

2. Succession Planning

The electric utility industry is one in which an aging workforce is very much a real threat. HLP is not immune to the effects of this aged workforce dynamic. HLP recognizes the need to find and foster skilled talent. In addition, HLP understands that continuing to identify the roles of key employees is crucial to nurturing a pipeline with the right talent and skills to fill leadership positions.

3. Cross Training

HL&P must maintain a state-of-the-art electrical system with a limited number of employees to do the work. It is our practice to retain employees that are multi-faceted and to invest in our workforce by providing training and learning opportunities to ensure that employees can perform cross-departmental duties. It is imperative that employees are knowledgeable and able to work safely, efficiently, and effectively as a team to manage workloads.

4. Performance Based Culture

A comprehensive performance management system can play a strategic role in attracting and retaining key employees and can also help improve the organization's overall performance. HLP understands that to maintain the best employees, performance levels need to be established and achievements recognized. As such HLP strives to foster a performance-based culture that identifies the strengths and weaknesses of all employees so that the organization can make informed and accurate decisions regarding an employee's contribution, career development, training needs, promotional opportunities, and compensation.

5. Compensation Strategy

HLP undertakes the necessary steps to ensure that employees are compensated fairly in accordance with industry and local trends. We understand the risks of becoming a training facility for our competitors if the compensation levels are too low and therefore strive to maintain a competitive compensation structure that allows us to attract and retain a highly skilled workforce.

Workforce - *Measurement*

HLP has identified the following as measures of workforce strength.

- ***Hiring Efficiency:*** HLP attempts to efficiently bring on new employees by regularly reviewing job classifications and write-ups to ensure prompt posting, interviewing, and hiring.
- ***Training and Development:*** HLP undertakes to ensure that all employees receive some form of regular training applicable to their position and assigned duties.
- ***RP3:*** The application process for APPA's RP3 Award includes a Workforce Development component worth 25% of the overall score. RP3 measures HLP's workforce development performance in three areas 1) Succession Planning and Recruitment 2) Employee Development and Recognition 3) Education, Participation, and Service. HLP will use this information as a guideline for determining best practices in the industry.
- ***Customer Feedback:*** Our employees are the key to our success. The success of HLP operations and service delivery to the community is reflective of our workforce. This is measured through customer feedback.
- ***Periodic Employee Surveys:*** Knowing that employees are our greatest asset, HLP conducts periodic employee surveys to help measure the engagement level of our employees.
- ***Employee Committees:*** HLP values the input of its employees and as such has various appointed employee committees to evaluate various components of the operations.

Workforce - *Actions*

1. Set high employee performance standards with an emphasis on professionalism and company values supported by employee development plans, annual goal setting, and a performance-based culture.
2. Offer quality training and growth opportunities allowing employees to better themselves.
3. Retain and attract employees with a compensation strategy that includes competitive wages, benefits, and reward programs.
4. Ensure attractive and fair pay through frequent wage studies and updated pay policies.
5. Develop good internal communication practices that address employee concerns and complaints in a respectful and professional manner.

Reliability and System Betterment- *Objectives*

Maintain a safe and reliable system with adequate capacity, and a diverse power supply through continued integrated resource planning, monitoring system performance, improved system and capital planning and budgeting, and creating policies and programs designed to address system growth, maintenance, betterment, distributed generation, energy storage, and changing customer energy usage habits.

1. Best Value for the Cost

HL&P performs regular load forecasting and Integrated Resource Planning to provide the most economical energy resources that can best match system load and company values for today and in the future. HLP seeks to design, develop, and deploy the most hardened infrastructure from metering to wires and poles and ultimately to the systems that collect, analyze, and manipulate data.

2. Reliability

Power Supply reliability is ensured by maintaining a diversified resource portfolio from various fuel sources and regions including local energy resources. Risks that can impact reliability are mitigated through investment in system upgrades, replacement of aging infrastructure, wildlife protections, maintenance programs, cyber security and improved system monitoring and controls.



3. Internal Generation

A key element of the HLP resource portfolio is the local generation resources. To ensure that these resources are available when needed, regular service is undertaken to provide for immediate dispatch and rapid uptime. Internal Generation capacity is increased regularly based on system need.



4. Disaster Recovery

Due to transmission constraints on the bulk electric system, HLP on occasion needs to operate the distribution and internal generation system within the parameters mandated by the transmission service provider. HLP strives to maintain a level of adequate capacity for all critical infrastructure during these times of constraint on the system. A Disaster Recovery plan has been adopted and includes mutual aid agreements with neighboring utilities. The company also categorizes all outages as major, sustained, or momentary.

Reliability and System Betterment - *Measurement*

HLP has identified the following as measures of power supply diversification and availability.

- **Portfolio Mix:** HLP strives to maintain a diversified generation portfolio. A quarterly review is done on all generation shaft performance.
- **Annual IRP:** HLP performs an annual Integrated Resource Plan update to ensure that adequate resources are available for the coming year.
- **Resource Scheduling:** HLP monitors the resource scheduling mix to ensure the most economical resource is being deployed across the system.
- **Electric System Reliability Indices:** HLP monitors reliability of the electric system using three industry standard indices, System Average Interruption Frequency Index (SAIFI), System Average Interruption Duration Index (SAIDI), and Customer Average Interruption Duration Index (CAIDI).
- **Aged Equipment Analysis:** HLP undertakes regular reviews of equipment to ensure that losses from failed equipment are minimized.
- **Energy Loss Percentage:** HLP monitors the reasonableness of line loss by the ratio of energy losses within our electric system to APPA national standards.

Reliability and System Betterment - *Actions*

1. Provide feedback on system performance through system monitoring and data mining.
2. Evaluate long-term and near-term infrastructure requirements by performing annual system planning studies, load forecasts and contingency analyses.
3. Reinforce reliability with investments in system upgrades, replacing aging infrastructure, wildfire and wildlife protections, and system monitoring and controls.
4. Improve asset inspections and maintenance programs to ensure system integrity.
5. Design policies and procedures for distributed generation and energy storage that ensure operational safety and soundness and develop programs that benefit the system and the customer.
6. Employ programs designed to reduce system energy and capacity requirements and manage changing energy usage patterns while promoting electrification.



FINANCIAL FORECAST

Heber Light & Power strives to accurately forecast out to five years and has included the following as such.

Agenda Item 4: Wholesale Power Report



Board Meeting November 19, 2025

Wholesale Power Report



November 2025

Power Purchases

Power Purchases	Power Purchases (PP) Cost					
	Month	PP Budget (\$)	PP Actual Cost (\$)	PP Accrual (\$)	Actual % of Budget	Accrual % of Budget
	Q1	3,348,807	3,280,157	3,642,784	98%	109%
	Q2	2,976,687	2,286,554	2,433,024	77%	82%
	July	1,407,275	1,797,903	1,353,718	128%	96%
	Aug	1,138,586	1,764,259	1,808,773	155%	159%
	Sep	849,925	1,433,770	1,081,666	169%	127%
	Q3	3,395,785	4,995,932	4,244,157	147%	125%
	PTD	9,721,279	10,562,643	10,319,965	109%	106%
	YTD	13,525,973	10,562,643	10,319,965	78%	76%

Natural Gas

Natural Gas	Natural Gas (NG) Cost					
	Month	NG Budget (\$)	NG Actuals (\$)	NG Accrual (\$)	Actual % of Budget	Accrual % of Budget
	Q1	619,769	293,942	310,645	47%	50%
	Q2	512,173	260,524	339,125	51%	66%
	July	212,350	66,316	7,907	31%	4%
	Aug	207,235	68,543	43,974	33%	21%
	Sep	112,019	50,358	71,466	45%	64%
	Q3	531,605	185,216	123,347	35%	23%
	PTD	1,663,546	739,682	773,117	44%	46%
	YTD	2,277,835	739,682	773,117	32%	34%

Wholesale Power

Total Cost of Power	Total Cost of Wholesale Power (WP) (Power Purchases + Natural Gas)						
	Month	WP Budget (\$)	WP Actuals (\$)	WP Accrual (\$)	Actual % of Budget	Accrual % of Budget	Budget to Actuals (+/-)
	Q1	3,968,575	3,574,099	3,953,429	90%	100%	(394,476)
	Q2	3,488,860	2,547,078	2,772,148	73%	79%	(941,782)
	Jul	1,619,625	1,864,218	1,361,625	115%	84%	244,593
	Aug	1,345,821	1,832,802	1,852,747	136%	138%	486,981
	Sep	961,944	1,484,128	1,153,132	154%	120%	522,184
	Q3	3,927,390	5,181,148	4,367,504	132%	111%	1,253,757
	PTD	11,384,826	11,302,325	11,093,081	99%	97%	(82,501)
	YTD	15,803,808	11,302,325	11,093,081	72%	70%	(4,501,483)

Public Hearing on 2026 Bonds Resolution 2025-08



Board Meeting November 19, 2025

PRELIMINARY OFFICIAL STATEMENT DATED [_____] 2025 JANUARY [_____] 2026

NEW ISSUE—Book-Entry Only

[Insured Rating: S&P “_” _ Insured]
Underlying Ratings: Moody’s “_” Fitch “_” (____)
(See “BOND RATINGS” herein.)

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Issuer, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the Series 2026 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The Series 2026 Bonds are not “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code. Bond Counsel notes that interest on the Series 2026 Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that the interest on the Series 2026 Bonds is exempt from State of Utah individual income taxes. See “TAX MATTERS” in this Official Statement.



\$[PAR]*
HEBER LIGHT & POWER COMPANY, UTAH
ELECTRIC REVENUE BONDS, SERIES 2026

Dated: Date of Delivery

Due: December 15, as shown on the inside cover

The Electric Revenue Bonds, Series 2026 are issuable by the Heber Light & Power Company, Utah as fully registered bonds and when initially issued will be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Series 2026 Bonds. Purchases of Series 2026 Bonds will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, DTC participants. Owners of the Series 2026 Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Series 2026 Bonds. Interest on the Series 2026 Bonds is payable semiannually on June 15 and December 15 of each year, commencing [June 15, 2026], by U.S. Bank Trust Company, National Association, as Paying Agent, all as more fully described herein. Payment of the principal of and interest on the Series 2026 Bonds will be made directly to DTC or its nominee. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC participants. See “THE SERIES 2026 BONDS—Book-Entry System” herein.

The Series 2026 Bonds are subject to optional [and mandatory sinking fund redemption] prior to maturity. See “THE SERIES 2026 BONDS—Redemption” herein.

The Series 2026 Bonds are being issued to (i) finance capital improvements, including the construction of a power plant, a substation, and related improvements and (ii) pay costs of issuance of the Series 2026 Bonds.

The Series 2026 Bonds are special obligations of the Issuer payable only from Net Revenues of the System and certain funds and accounts as described herein. Neither the full faith and credit nor the taxing power of the State of Utah or any agency, instrumentality or political subdivision thereof is pledged for the payment of the principal of, premium, if any, or interest on the Series 2026 Bonds. The Series 2026 Bonds are not general obligations of the State of Utah or any agency, instrumentality or political subdivision thereof. The issuance of the Series 2026 Bonds shall not directly, indirectly, or contingently obligate the State of Utah or any agency, instrumentality or political subdivision thereof to levy any form of taxation therefor or to make any appropriation for the payment of the Series 2026 Bonds. See “SECURITY FOR THE BONDS” herein.

[The scheduled payment of principal of and interest on the Series 2026 Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Series 2026 Bonds by [Insurer] (“_____”). [Insurer Logo]

The Series 2026 Bonds are offered when, as, and if issued by the Issuer and received by the Underwriter, subject to the approval of their legality by Gilmore & Bell, P.C., Bond Counsel to the Issuer. Certain matters will be passed upon for the Issuer by Gilmore & Bell, P.C., as disclosure counsel to the Issuer. Certain legal matters will be passed upon for the Issuer by Adam Long, general counsel to the Issuer. Certain matters will be passed upon for the Underwriter by Farnsworth Johnson PLLC. It is expected that the Series 2026 Bonds, in book-entry only form, will be available for delivery to DTC or its agent on or about [_____, 2026].

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision. This Official Statement is dated [_____, 2026], and the information contained herein speaks only as of that date.

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* Preliminary; subject to change.

Style Definition: TOC 3
Style Definition: TOC 4
Style Definition: TOC 5
Style Definition: TOC 6
Style Definition: TOC 7
Style Definition: TOC 8
Style Definition: TOC 9

\$[PAR]*
HEBER LIGHT & POWER COMPANY, UTAH
ELECTRIC REVENUE BONDS, SERIES 2026

MATURITIES, AMOUNTS, INTEREST RATES, AND PRICES OR YIELDS

Due (December 15)	Principal Amount	Interest Rate	Yield	CUSIP**
2026				42249T []
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041				
2042				
2043				
2044				
2045				
2046				
2047				
2048				
2049				
2050				
2051				
2052				
2053				
2054				
2055				
2056				

[\$ _____ % Term Bond Due December 15, 20____; Price _____ % CUSIP** 42249T ____]

* Preliminary; subject to change.

** The above-referenced CUSIP numbers have been assigned by an independent company not affiliated with the parties to this bond transaction and are included solely for the convenience of the holders of the Series 2026 Bonds. None of the Issuer, the Trustee or the Underwriter is responsible for the selection or use of such CUSIP numbers, and no representation is made as to its correctness on the Series 2026 Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2026 Bonds as a result of various subsequent actions including but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities.

The information contained in this Official Statement has been furnished by the Issuer, DTC, [the Insurer,] and other sources that are believed to be reliable. No dealer, broker, salesperson, or other person has been authorized by the Issuer or the Underwriter to give any information or to make any representations other than those made herein. Any such other information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy, nor shall there be any sale of the Series 2026 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinions herein are subject to change without notice and neither the delivery of this document nor the sale of any of the bonds shall, under any circumstances, create any implication that the information herein is correct as of any time subsequent to the date hereof.

The Series 2026 Bonds will not be registered under the Securities Act of 1933, as amended, or any state securities law and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any state securities commission has passed upon the accuracy or adequacy of this document. Any representation to the contrary is unlawful.

All inquiries relating to this Official Statement and the offering contemplated herein should be directed to the Underwriter. Prospective investors may obtain additional information which they may reasonably require in connection with the decision to purchase any of the Series 2026 Bonds from the Underwriter or the contact persons listed herein.

The prices or yields at which the Series 2026 Bonds are offered to the public may vary from the initial reoffering prices or yields on the inside cover page of this Official Statement. In addition, the Underwriter may allow concessions or discounts from the initial offering prices of the bonds to dealers and others. In connection with the offering of the Series 2026 Bonds, the Underwriter may effect transactions that stabilize or maintain the market price of the Series 2026 Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Certain statements included or incorporated by reference in this Official Statement constitute “forward looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “project,” “budget,” or other similar words. Forward-looking statements are included in the Official Statement under the captions “INTRODUCTION,” “ESTIMATED SOURCES AND USES OF FUNDS,” “THE SERIES 2026 PROJECT,” “THE SYSTEM,” and “CERTAIN FACTORS AFFECTING THE ELECTRIC UTILITY INDUSTRY,” but are not solely limited to said sections. The forward-looking statements in this Official Statement are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.

The Issuer maintains a website; however, the information presented there is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Series 2026 Bonds.

[Insurer statement]

\$[PAR]*
HEBER LIGHT & POWER COMPANY, UTAH
ELECTRIC REVENUE BONDS, SERIES 2026

31 South 100 West
Heber, Utah 84032
(435) 654-1581

BOARD OF DIRECTORS⁽¹⁾

Heidi Franco	Director and Chair
Aaron Cheatwood	Director
Brenda Christensen	Director
Kendall Crittenden	Director
Sid Ostergaard	Director
Kevin Payne	Director

ADMINISTRATION

Jason Norlen	General Manager
Bart Miller	Chief Financial Officer
Adam Long	General Counsel
Rylee Allen	Board Secretary

TRUSTEE, PAYING AGENT & REGISTRAR

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170 South Main Street, Suite 600
Salt Lake City, Utah 84101
(801) 534-6051

UNDERWRITER

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BOND & DISCLOSURE COUNSEL

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MUNICIPAL ADVISOR

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Salt Lake City, Utah 84101
(801) 596-0700

* Preliminary; subject to change.
⁽¹⁾ Changes to the Board are anticipated to occur in January 2026. [The list of Directors will be updated.]

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OFFICIAL STATEMENT
RELATING TO
\$(PAR)*
HEBER LIGHT & POWER COMPANY, UTAH
ELECTRIC REVENUE BONDS, SERIES 2026

INTRODUCTION

This Official Statement, including the cover pages, introduction, and appendices, provides information regarding the issuance and sale by the Heber Light & Power Company, Utah (the “Issuer”) of its \$(PAR)* Electric Revenue Bonds, Series 2026 (the “Series 2026 Bonds”), initially issued in book-entry form only. This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover pages and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of the Series 2026 Bonds to potential investors is made only by means of the entire Official Statement.

See also the following appendices attached hereto: “APPENDIX A—HEBER LIGHT & POWER COMPANY AUDITED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 2024 AND 2023,” “APPENDIX B—EXTRACTS OF CERTAIN PROVISIONS OF THE INDENTURE,” “APPENDIX C—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING WASATCH COUNTY,” “APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING,” “APPENDIX E—PROPOSED FORM OF BOND COUNSEL OPINION,” “APPENDIX F—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM” [and “APPENDIX G—SPECIMEN MUNICIPAL BOND INSURANCE POLICY.”]

The Issuer and the System

The Issuer is an energy services interlocal entity under the laws of the State of Utah (the “State”), which is a separate legal entity and political subdivision of the State. In 1909, Heber City, Midway City and Charleston Town (the “Members”) jointly issued bonds for the construction of the Heber hydroelectric power plant and began providing service in the Heber Valley. In 1935, the Members formalized their oral agreements and organized the Issuer. In 2002, the Members signed an Organization Agreement setting forth the Issuer’s corporate powers, governance structure and related matters. Under the Organization Agreement, the Issuer is authorized to provide local electric utility service to all retail consumers located within its service area.

†The Issuer owns and operates an electric generation and distribution system (the “System”) which provides electric service to approximately 14,159 16,136 customers in the area of Heber Valley in Wasatch County, Utah (the “County”). The service area of the System currently covers 74172 square miles; in addition to the municipalities of Heber City, Midway City and Charleston Town, the Issuer’s service area also includes the towns of Daniel, Independence, and Interlaken, as well as certain unincorporated areas of the County. The Issuer currently owns and operates hydroelectric and natural gas generating units with a combined generating capacity of approximately 19.5 megawatts (“MW”).- [To be updated!].

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For additional information regarding the Issuer, see “THE ISSUER,” “APPENDIX A—HEBER LIGHT & POWER COMPANY AUDITED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 2024 AND 2023,” and, regarding the general area in which the Issuer is located, “APPENDIX C—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING WASATCH COUNTY,” all herein.

* Preliminary; subject to change.

For more information regarding the System and certain matters affecting the electric utility industry in general, see “THE SYSTEM” and “CERTAIN FACTORS AFFECTING THE ELECTRIC UTILITY INDUSTRY” herein.

Authority and Purpose

The Series 2026 Bonds are being issued pursuant to (i) the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended and the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (together, the “Act”); (ii) a Trust Indenture dated as of October 1, 2002, as heretofore amended and supplemented (the “Trust Indenture”), as further supplemented by a Sixth Supplemental Indenture of Trust dated as of February 1, 2026 (the “Sixth Supplemental Indenture,” and together with the General Indenture, the “Indenture”), by and between the Issuer and U.S. Bank Trust Company, National Association, as successor trustee (the “Trustee”); (iii) resolutions adopted on October 22, 2025 and November 19, 2025, by the governing board (the “Board”) of the Issuer authorizing the issuance and the sale of the Series 2026 Bonds and the execution and delivery of the Indenture (together, the “Resolution”); and (iv) other applicable provisions of law.

The Series 2026 Bonds are being issued for the purpose of providing funds to (i) finance capital improvements, including the construction of a power plant, a substation, and related improvements (collectively, the “Series 2026 Project”) and (ii) pay costs of issuance of the Series 2026 Bonds. See “THE SERIES 2026 PROJECT.”

Security for and Sources of Payment

The Series 2026 Bonds are special obligations of the Issuer and are payable from the Net Revenues (the Revenues less Operation and Maintenance Costs) generated by the sale of the electric utility services provided by the System. The Indenture pledges the Net Revenues to the payment of the Series 2026 Bonds and to pay other costs and to provide certain reserves related to the System. See “SECURITY FOR THE BONDS—Pledge of the Indenture.”

The Issuer has covenanted in the Indenture to establish and collect rates and charges for System services that are expected to yield Net Revenues (the Revenues less Operation and Maintenance Costs) equal to at least 125% of the Aggregate Debt Service on all outstanding Bonds in each year. See “SECURITY FOR THE BONDS—Rate Covenant.”

The Series 2026 Bonds are not an obligation of the State, the County, the Members, or any political subdivision other than the Issuer. Neither the faith and credit nor the taxing power of the State or any of its political subdivisions, including the Members, is pledged to the Bonds. The Issuer has no taxing power. THE INDENTURE DOES NOT MORTGAGE ANY SYSTEM PROPERTIES TO SECURE THE PAYMENT OF THE SERIES 2026 BONDS.

[Bond Insurance]

[The scheduled payment of principal of and interest on the Series 2026 Bonds, when due, will be guaranteed under an insurance policy (the “Policy”) to be issued concurrently with the delivery of the Series 2026 Bonds by [Insurer] (“_____” or the “Insurer”). See “BOND INSURANCE” and “APPENDIX G—SPECIMEN MUNICIPAL BOND INSURANCE POLICY” herein.]

Outstanding Parity Bonds and Additional Bonds

The Issuer has previously issued and has outstanding under the Indenture its (i) Electric Revenue and Refunding Bonds, Series 2019 (the “Series 2019 Bonds”) and (ii) Electric Revenue Bonds, Series 2023 (the “Series 2023 Bonds” and together with the Series 2019 Bonds, the “Outstanding Parity Bonds”), currently outstanding in the total principal amount of \$43,990,000.

The Issuer may issue additional bonds (the “Additional Bonds”) payable on a parity with the Outstanding Parity Bonds and the Series 2026 Bonds upon complying with certain requirements set forth in the Indenture. Such

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Additional Bonds together with the Outstanding Parity Bonds and the Series 2026 Bonds, are sometimes collectively referred to herein as the “Bonds.” See “SECURITY FOR THE BONDS— Additional Bonds” herein.

Debt Service Reserve Account

The Indenture establishes a Series 2026 Debt Service Reserve Subaccount within the Debt Service Reserve Account which is required to be funded in an amount equal to the Debt Service Reserve Requirement taking into account the issuance of the Series 2026 Bonds. [The Indenture authorizes the Issuer to obtain a surety bond in place of fully funding the Series 2026 Debt Service Reserve Subaccount. The Series 2026 Debt Service Reserve Subaccount will be satisfied by a Reserve Instrument (the “Surety”) to be provided by the Insurer.] See “SECURITY FOR THE BONDS—Debt Service Reserve Account” herein.

Redemption

The Series 2026 Bonds are subject to optional [and sinking fund redemption] prior to maturity. See “THE SERIES 2026 BONDS—Redemption” herein.

Registration, Denomination, Manner of Payment

The Series 2026 Bonds are issuable only as fully registered bonds without coupons and, when initially issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository for the Series 2026 Bonds. Purchases of Series 2026 Bonds will be made in book-entry-only form, in the principal amount of \$5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, DTC Participants. Beneficial Owners of the Series 2026 Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Series 2026 Bonds.

Principal of and interest on the Series 2026 Bonds (interest payable June 15 and December 15, of each year, commencing ~~(June 15, 2026))~~ are payable through U.S. Bank Trust Company, National Association, as Paying Agent, to the registered owners of the Series 2026 Bonds. So long as DTC is the registered owner, it will in turn remit such principal and interest to its Participants for subsequent disbursements to the Beneficial Owners of the Series 2026 Bonds. See “THE SERIES 2026 BONDS—Book-Entry-Only System” herein.

Transfer or Exchange

So long as the book-entry system is in effect, beneficial owners may transfer their interests in the Series 2026 Bonds through the book-entry system. In the event of a discontinuance of the book-entry system, the Series 2026 Bonds may be transferred or exchanged as described herein. See “THE SERIES 2026 BONDS—General” herein.

Tax-Exempt Status

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Issuer, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”), the interest on the Series 2026 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax. The Series 2026 Bonds are not “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code. Bond Counsel notes that interest on the Series 2026 Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that the interest on the Series 2026 Bonds is exempt from State of Utah individual income taxes. See “TAX MATTERS” in this Official Statement. Bond Counsel expresses no opinion regarding any other tax consequences relating to ownership or disposition of or the accrual or receipt of interest on the Series 2026 Bonds.

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Conditions of Delivery, Anticipated Date, Manner and Place of Delivery

The Series 2026 Bonds are offered when, as, and if issued and received by the Underwriter subject to the approval of legality by Gilmore & Bell, P.C., Bond Counsel to the Issuer, and certain other conditions. Certain matters will be passed on for the Issuer by Gilmore & Bell, P.C., as disclosure counsel to the Issuer. Certain legal matters will be passed on for the Issuer by Adam Long, general counsel to the Issuer. Certain matters will be passed upon for the Underwriter by Farnsworth Johnson PLLC. It is expected that the Series 2026 Bonds will be available for delivery to DTC in book-entry form on or about ~~February 1, 2026~~, February 1, 2026.

Basic Documentation

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Brief descriptions of the Issuer, the Series 2026 Bonds, and the Indenture are included in this Official Statement. Such descriptions do not purport to be comprehensive or definitive. All references herein to the Indenture are qualified in their entirety by reference to such document, and references herein to the Series 2026 Bonds are qualified in their entirety by reference to the form thereof included in the Indenture and the information with respect thereto included in the aforementioned document, copies of which are available for inspection at the principal office of the Trustee on or after the delivery of the Series 2026 Bonds. During the period of the offering of the Series 2026 Bonds, copies of the preliminary form of such document will be available from the “Contact Persons” as indicated below. Also see “APPENDIX B—EXTRACTS OF CERTAIN PROVISIONS OF THE INDENTURE” below.

Contact Persons

As of the date of this Official Statement, the chief contact person for the Issuer concerning the Series 2026 Bonds is:

Bart Miller, Chief Financial Officer
Heber Light & Power Company
31 South 100 West
Heber City, Utah 84032
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Additional requests for information may be directed to the following representative of the Municipal Advisor:

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Salt Lake City, Utah 84101
(801) 596-0700
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[BOND INSURANCE]

[To be determined.]

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THE SERIES 2026 BONDS

General

The Series 2026 Bonds are dated the date of their initial delivery and except as otherwise provided in the Indenture, shall bear interest from said date. Interest on the Series 2026 Bonds will be payable semiannually on June 15 and December 15 of each year, commencing ~~June 15, 2026~~. Interest on the Series 2026 Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months. The Series 2026 Bonds shall bear interest at the rates and shall mature on the dates and in the amounts as set forth on the inside front cover of this Official Statement. The Series 2026 Bonds will be issued as fully registered bonds, initially in book-entry form, in denominations of \$5,000 or any integral multiple thereof, not exceeding the amount of each maturity. So long as the book-entry system is in effect, beneficial owners may transfer their interests in the Series 2026 Bonds through the book-entry system. In the event of a discontinuance of the book-entry system, the Series 2026 Bonds may be transferred or exchanged as described below.

When the book-entry system is no longer in effect with respect to the Series 2026 Bonds and in all cases in which the privilege of exchanging or transferring the Series 2026 Bonds is exercised, the Issuer shall execute, and the Trustee shall authenticate and deliver, the Series 2026 Bonds in accordance with the provisions of the Indenture. For every such exchange or transfer of the Series 2026 Bonds, the Issuer or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer of the Series 2026 Bonds, and to pay any service charge of the Trustee.

The Issuer, the Trustee and any Transfer Agent shall not be required (1) to issue, register the transfer of or exchange any Series 2026 Bond during the period beginning on a Record Date applicable thereto and ending on the next succeeding Interest Payment Date or during a period beginning at the opening of business fifteen days before the date of the mailing of a notice of redemption of Series 2026 Bonds selected for redemption under the Indenture and ending at the close of business on the day of such mailing, or (2) to register the transfer of or exchange any Series 2026 Bond so selected for redemption in whole or in part, except the unredeemed portion of Bonds being redeemed in part. For purposes of the Series 2026 Bonds, "Record Date" means the first day of the month next preceding each Interest Payment Date.

Redemption

Optional Redemption. The Series 2026 Bonds maturing on or before December 15, 20__, are not subject to optional redemption prior to maturity. The Series 2026 Bonds maturing on or after December 15, 20__, are subject to redemption prior to maturity in whole or in part at the option of the Issuer on December 15, 20__, or on any date thereafter prior to maturity, in whole or in part, from such maturities or parts thereof as may be selected by the Issuer at a redemption price equal to 100% of the principal amount of the Series 2026 Bonds to be redeemed plus accrued interest, if any, thereon to the date of redemption.

Mandatory Sinking Fund Redemption. The Series 2026 Bonds maturing on December 15, 20__, are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof plus accrued interest thereon to the redemption date on the dates and in the principal amounts as follows:

Mandatory Sinking Fund Redemption Date (December 15)	Mandatory Sinking Fund Redemption Amount
* Final Maturity Date	
Upon redemption of any Series 2026 Bonds maturing on December 15, 20__, other than by application of such mandatory sinking fund redemption, an amount equal to the principal amount so redeemed will be credited	

toward a part or all of any one or more of such mandatory sinking fund redemption amounts for the Series 2026 Bonds maturing on December 15, 2047, in such order of mandatory sinking fund date as shall be directed by the Issuer.]

Selection for Redemption. If fewer than all the Series 2026 Bonds are to be redeemed, the particular maturities of such Bonds to be redeemed and the Principal amounts of such maturities to be redeemed shall be selected by the Issuer. If fewer than all of the Bonds of any one maturity of the Series 2026 Bonds shall be called for redemption, the particular units of such Bonds, as determined in accordance with the following paragraph, to be redeemed shall be selected by the Trustee by lot in such manner as the Trustee, in its discretion, may deem fair and appropriate.

In case any Series 2026 Bond shall be redeemed in part only, upon the presentation of such Series 2026 Bond for such partial redemption the Issuer shall execute and the Trustee shall authenticate and shall deliver or cause to be delivered to or upon the written order of the Registered Owner thereof, at the expense of the Issuer, a Bond or Bonds of the same series, interest rate, and maturity, in aggregate principal amount equal to the unredeemed portion of such Series 2026 Bond. The portion of any Series 2026 Bond of a denomination of more than \$5,000 to be redeemed will be in the principal amount of \$5,000 or an integral multiple thereof and in selecting portions of such Series 2026 Bonds for redemption, each such Series 2026 Bond shall be treated as representing that number of Series 2026 Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Series 2026 Bonds by \$5,000.

Notice of Redemption. In the event any of the Series 2026 Bonds are called for redemption as aforesaid, notice thereof identifying the Series 2026 Bonds to be redeemed will be given by the Trustee, by mailing a copy of the redemption notice by first-class mail, postage prepaid, not less than 30 nor more than 60 days prior to the date fixed for redemption to the Registered Owner of each Series 2026 Bond to be redeemed at the address shown on the registration books; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceeding for the redemption of any Series 2026 Bond with respect to which no such failure has occurred. Any notice mailed as provided in this paragraph shall be conclusively presumed to have been duly given, whether or not the Registered Owner receives the notice. All Series 2026 Bonds so called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment at that time.

If at the time of mailing of any notice of optional redemption there is not on deposit with the Trustee moneys sufficient to redeem all the Bonds called for redemption, such notice shall state that such redemption shall be conditioned upon receipt by the Trustee on or prior to the date fixed for such redemption of moneys sufficient to pay the principal of and interest on such Bonds to be redeemed and that if such moneys shall not have been so received said notice will be of no force and effect and the Issuer will not be required to redeem such Bonds. In the event that such moneys are not so received, the redemption will not be made and the Trustee will within a reasonable time thereafter give notice, one time, in the same manner in which the notice of redemption was given, that such moneys were not so received.

Book-Entry Only System

The Series 2026 Bonds originally will be issued solely in book-entry form to The Depository Trust Company or its nominee, Cede & Co., to be held in DTC's book-entry only system. So long as such Series 2026 Bonds are held in the book-entry only system, DTC or its nominee will be the registered owner or Holder of such Series 2026 Bonds for all purposes of the Indenture, the Series 2026 Bonds and this Official Statement. Purchases of beneficial ownership interests in the Series 2026 Bonds may be made in the denominations described above. For a description of the book-entry system for the Series 2026 Bonds, see "APPENDIX F—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM."

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THE SERIES 2026 PROJECT

A portion of the proceeds of the Series 2026 Bonds will be used to finance all or a portion of capital improvements to the System, including the construction of a power plant, a substation, and related improvements. ~~[Expand to include reason (replacing obsolete equipment, peaking or base loads, etc.), fuel type of generation, capacity of generation, status of fuel contracts, status of permits for project, contracts for construction, expected commencement and completion dates, how the project fits into the Issuer's portfolio, etc. In terms of the substation, information relating to location, purpose, size and service area.], as described in more detail below.~~

~~[The Issuer plans to use proceeds of the Series 2026 Bonds to finance six key projects that have been identified as critical to the System. Permitting, regulatory and environmental factors as well as load growth patterns could alter the list of projects and their priority levels. The main project is the replacement of an old peaking plant. That plant had four units which operated between 1.5 and 2.5 MW each. The new plant is currently designed to contain six natural gas units with an operating capacity of 1.5 to 3.5 MW each. The second project is the upgrade and rebuild of a substation supporting the generation of electricity in two of the plants of the System. The existing substation configuration has limited capacity and is in need of operational controls for both safety and reliability. Proceeds of the Series 2026 Bonds will also be used for improvements to three other substations for either long-lead material acquisitions, engineering services, or land purchase elements. One of those substations is an existing station that needs to be upgraded from 46kVA to 138kVA. The other two are new load serving substations on opposite sides of the service territory necessary to serve the proposed loads of some currently contemplated developments. Finally, a portion of Series 2026 Bond proceeds will be used to complete the second phase of a new office building.~~

In addition to or in place of the improvements and additions identified above, the Issuer reserves the right under the Indenture to use the proceeds of the Series 2026 Bonds for any qualified purpose, including additional general improvements, additions and extensions to the Issuer's distribution system. Under the Indenture, the "Cost of Construction" includes all costs of the Issuer properly allocable to the acquisition, construction and placing in service of any part of the Series 2026 Project and all preliminary and incidental expenses, all engineering, fiscal, underwriting, consulting, technical, financing and legal expenses and costs of issuance.

ESTIMATED SOURCES AND USES OF FUNDS

Sources of Funds

Par Amount of the Series 2026 Bonds\$ _____
[Net] Reoffering Premium.....\$ _____

Total\$ _____

Uses of Funds

Deposit to Construction Fund⁽¹⁾\$ _____
Costs of Issuance⁽²⁾\$ _____

Total\$ _____

⁽¹⁾ [Includes \$ _____ for capitalized interest on the Series 2026 Bonds through _____, 20____.]

⁽²⁾ Includes Underwriter's discount, legal, rating agency, trustee, registrar and paying agent fees, [Policy premium and Surety fee], and other costs incurred in connection with the issuance and sale of the Series 2026 Bonds.

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**DEBT SERVICE SCHEDULE FOR THE SERIES 2026 BONDS
AND THE OUTSTANDING PARITY BONDS**

The following table sets forth the debt service schedule with respect to the Series 2026 Bonds and the Outstanding Parity Bonds: See “THE ISSUER—Outstanding Obligations of the Issuer.” [LRB to confirm debt service for Outstanding Parity Bonds.]

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Calendar Year	Series 2026 Bonds Principal*	Interest ⁽¹⁾	Outstanding Parity Bonds ⁽²⁾	Total
2026			\$3,556,000	
2027			3,558,500	
2028			3,542,250	
2029			3,568,000	
2030			3,548,500	
2031			3,575,750	
2032			3,547,250	
2033			3,540,500	
2034			3,539,250	
2035			3,543,650	
2036			2,988,500	
2037			2,986,000	
2038			2,984,700	
2039			2,989,400	
2040			2,989,650	
2041			2,985,400	
2042			2,986,650	
2043			2,982,950	
2044			2,989,300	
2045			2,985,000	
2046			2,100,250	
2047			2,100,000	
2048			=	
2049			=	
2050			=	
Total			<u>\$69,587,450</u>	

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⁽¹⁾ [Interest on the Series 2026 Bonds will be paid from capitalized interest through _____ 15, 20 ____.]

⁽²⁾ Includes principal and interest; amounts have been rounded.

* Preliminary; subject to change.

(Source: The Municipal Advisor.)

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SECURITY FOR THE BONDS

Pledge of the Indenture

The Series 2026 Bonds and any other Bonds issued pursuant to the Indenture are secured equally and ratably by a pledge of (a) the Net Revenues and (b) the funds established by the Indenture (except the Rebate Fund), including the investments thereof. The Series 2026 Bonds are special limited obligations of the Issuer and are payable exclusively from the Net Revenues, moneys, funds and accounts held under the Indenture. As defined under the Indenture, “Net Revenues” means the Revenues after provision has been made for the payment therefrom of Operation and Maintenance Expenses.

The Revenues consist of amounts received by the Issuer from or attributable to the System, the sale of the output, capacity, or services of the System, and certain other proceeds and earnings, as set forth in the Indenture. See “APPENDIX B—EXTRACT OF CERTAIN PROVISIONS OF THE INDENTURE—Definitions” herein.

The Series 2026 Bonds do not constitute general obligations of the State, the Members, or any other political subdivision of the State, other than the Issuer, and neither the faith and credit nor the taxing power of the State or any political subdivision thereof, including the Members, is pledged for the payment of the Series 2026 Bonds. The Indenture does not pledge any System properties, including the Series 2026 Project.

For a description of the System, rates and charges for services provided by the System and moneys available for use in connection with the System, see “THE SYSTEM.”

Debt Service Reserve Account

The Indenture provides that the Debt Service Reserve Account will be funded in an amount equal to the Debt Service Reserve Requirement upon the issuance of each Series of Bonds. The Debt Service Reserve Requirement is an amount equal to the least of (i) the sum of ten percent of the original principal amount of each Series of Bonds (subject to reduction upon any refunding of all or part of a Series of Bonds), (ii) the Maximum Annual Debt Service on the Bonds and (iii) 125% of the Average Annual Debt Service on the Bonds. Upon the issuance of the Series 2026 Bonds, the Debt Service Reserve Requirement will be increased to include the Series 2026 Bonds. The Indenture establishes a Series 2026 Debt Service Reserve Subaccount [and authorizes the Issuer to obtain a Reserve Instrument in place of fully funding the Debt Service Reserve Requirement. [The Series 2026 Debt Service Reserve Subaccount, will be satisfied by the Surety to be provided by the Insurer.] Thereafter, the Issuer will replenish the Debt Service Reserve Account as provided in the Indenture.

Funds on deposit in the Debt Service Reserve Account shall be used to make up any deficiencies in any Series Subaccount in the Debt Service Account. Funds at any time on deposit in the Debt Service Reserve Account in excess of the amount required to be maintained therein may at any time be transferred to the Revenue Fund. If at any time the amount on deposit in the Debt Service Reserve Account is less than the minimum amount to be maintained therein, the Issuer is required to make payment, solely from Net Revenues and in the order and priority set forth as described under “APPENDIX B—EXTRACTS OF CERTAIN PROVISIONS OF THE INDENTURE—Flow of Funds” and “—Operation of Special Funds and Accounts” below, such amount of money remaining in the Revenue Fund or all of the Net Revenues so remaining if less than the amount necessary until there is an amount on deposit in the Debt Service Reserve Account equal to the Debt Service Reserve Requirement.

Application of Revenues

Deposit of Revenues. The Indenture requires that all Revenues be promptly deposited by the Issuer into the Revenue Fund.

Payment of Operation and Maintenance Costs; Working Capital. From time to time, the Issuer will pay the Operation and Maintenance Costs out of the Revenue Fund, as such costs become due and payable. Under the Indenture, the Issuer has agreed to maintain on file with the Trustee a written certificate setting forth the amount of working capital reasonably required for efficient operation and maintenance of the System, which amount shall be not

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less than two months' average Operation and Maintenance Costs. Such certificate may be revised from time to time as deemed necessary or desirable by the Issuer.

Flow of Funds. On or before the last Business Day of each month (and at such other times as may be necessary to provide for the full and timely payment of all Bond Payments), the Issuer shall, after the payment of all Operation and Maintenance Costs then due, from and to the extent of the moneys on deposit in the Revenue Fund, transfer and deposit into the following Funds the amounts set forth below in the following order:

first, into the Bond Fund for credit to the Debt Service Account, the amount required so that the balance in each of the Series Subaccounts in the Debt Service Account shall equal the Accrued Debt Service on the Series of Bonds for which such Series Subaccount was established;

second, into the Bond Fund for credit to the Debt Service Reserve Account, such amount as is necessary to restore the balance to the Debt Service Reserve Requirement following any withdrawal of moneys from the Debt Service Reserve Account or to reimburse the issuer of any Reserve Instrument following any drawing on it;

third, into the Subordinated Indebtedness Fund, such amount as is necessary to pay timely the principal of and interest on, or other payment obligations in respect of, Subordinated Indebtedness and reserves therefor, as provided in the resolution, indenture or other instrument, including a Supplemental Indenture, securing Subordinated Indebtedness; and

fourth, into the Renewal and Replacement Fund such amount as shall be necessary so as to cause the amount set forth in the Annual Budget for the then-current Fiscal Year to be deposited into the Renewal and Replacement Fund by the end of such Fiscal Year.

Amounts remaining on deposit in the Revenue Fund after the transfers described above may be transferred from time to time by the Issuer into the Rate Stabilization Fund; provided, however, that after any such transfer (1) the sum of the amounts on deposit in the Revenue Fund and the Debt Service Account shall equal the Accrued Debt Service on all Series of Bonds Outstanding, (2) the Debt Service Reserve Requirement shall be on deposit in the Debt Service Reserve Account, and (3) the required amounts of working capital shall be on deposit in the Revenue Fund. Amounts in the Rate Stabilization Fund may be used for any lawful purpose of the Issuer.

Rate Covenant

Pursuant to the Indenture, the Issuer has covenanted to at all times establish and collect rates and charges for the services provided by the System to provide Revenues at least sufficient in each Fiscal Year, together with other available funds, for the payment of the sum of (1) the Operation and Maintenance Costs for such Fiscal Year, (2) the Aggregate Debt Service for such Fiscal Year, plus a margin of 25%, (3) any Repayment Obligations owed to the issuer of a Security Instrument or a Reserve Instrument and coming due during such Fiscal Year, (4) the amount, if any, to be paid during such Fiscal Year into the Debt Service Reserve Account, and (5) all other charges or amounts payable out of the Revenues.

Rates fixed and charged for the energy distributed by the Issuer are established by resolution of the Board and are not subject to the approval of any State or federal regulatory body. See "THE SYSTEM—System Rates" below.

Additional Bonds

The Indenture permits the issuance of ~~additional~~ **Additional** Bonds to finance the Cost of Construction of a Project, or to refund any outstanding Bonds. The Issuer has reserved the right under the Indenture to issue Additional Bonds for the purpose of (1) providing for the payment of all or a portion of (a) the Cost of Construction of a Project, (b) principal and Redemption Price of Bond Anticipation Notes, or (c) any combination of (a) and (b), or (2) to refund any outstanding Bonds, on the terms and conditions specified in the Indenture.

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Among other requirements for the issuance of Additional Bonds to finance construction of a project, the Adjusted Net Revenues of the Issuer for its immediately preceding Fiscal Year or for any Year within the 18 calendar months prior to the authentication and delivery of such Additional Bonds must be not less than 1.25 times the Maximum Annual Debt Service with respect to all Bonds to be Outstanding after the issuance of the proposed Additional Bonds. See “EXTRACTS OF CERTAIN PROVISIONS OF THE INDENTURE–Issuance of Bonds” in APPENDIX B hereto.

Any Additional Bonds issued will rank equally as to security and payment with the Series 2026 Bonds and any Outstanding Parity Bonds. See “EXTRACTS OF CERTAIN PROVISIONS OF THE INDENTURE–Issuance of Bonds” in APPENDIX B hereto.

THE ISSUER

General Information

The Issuer is an energy services interlocal entity under State law, which is a separate legal entity and political subdivision of the State. In 1909, Heber City, Midway City and Charleston Town (the “Members”) jointly issued bonds for the construction of the Heber hydroelectric power plant and began providing electrical service in the Heber Valley. In 1935, the Members formalized their oral agreements and organized the Issuer. In 2002, the Members signed an Organization Agreement setting forth the Issuer’s corporate powers, governance structure and related matters. Under the Organization Agreement, the Issuer is authorized to provide local electric utility service to all retail consumers located in its service area.

The Interlocal Cooperation Act

The Issuer has been organized and operates as a separate legal entity and a political subdivision of the State under the Utah Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended (the “Interlocal Act”). The Interlocal Act authorizes local governments (or “public agencies”) to enter into interlocal agreements with one another for the joint exercise of their powers. The intent of the Interlocal Act is to enable public agencies in Utah to make the most efficient use of their powers by enabling them to cooperate with one another on the basis of mutual advantage to provide services and facilities that will best accommodate the needs and development of local communities. The purposes of the Interlocal Act also include providing the benefits of economy of scale, economic development, and utilization of natural resources for the overall promotion of the general welfare of the State.

A separate legal entity (or “interlocal entity”) may be organized under the Interlocal Act by two or more State public agencies in order to accomplish their joint or cooperative action. An interlocal entity is a separate entity from the public agencies that create it, and is a body corporate and politic and a political subdivision of the State.

The Interlocal Act was amended in 2002 to provide for the creation of electric interlocal entities to undertake certain electric generation and transmission projects and of energy services interlocal entities to provide comprehensive electric energy services at wholesale or retail. The Issuer’s Organization Agreement was revised to constitute the Issuer as an energy services interlocal entity.

The Organization Agreement

In 1909, the Members jointly issued bonds for the construction of the Heber hydroelectric power plant and began providing service in the Heber Valley. In 1935, the Members formalized their oral agreements and organized the Issuer. This agreement was amended and restated by the Members from time to time over the years; however, in 2002 the Members entered into a new Organization Agreement for the Issuer, which was later amended in March 2010 and again in October 2014. The Organization Agreement serves as the articles of incorporation for the Issuer and it specifies the Issuer’s organization, governance and powers. The Organization Agreement provides for the perpetual existence of the Issuer.

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Under the Organization Agreement, the Issuer is organized as an interlocal entity and an energy services interlocal entity under the Interlocal Act. Its powers include all powers conferred upon interlocal entities and energy services interlocal entities by the Act and various other powers listed in the Organization Agreement. Those powers include the following:

- to sue and be sued, to enter into contracts, to acquire and sell real and personal property and to exercise the powers of eminent domain possessed by the Members;
- to own and operate all facilities necessary or desirable for the generation, transmission, transportation and distribution of electric energy and related fuel supplies;
- to contract for supplies of electric power and energy, ancillary services and electric transmission and fuel transportation services;
- to provide integrated electric utility services at retail to consumers located in its service area and to sell electric power and energy, transmission and other services at wholesale to any other public agency or any investor-owned or cooperative utility;
- to adopt and implement necessary risk management policies and procedures; and
- to borrow money, incur indebtedness and issue revenue bonds payable from a pledge of all or a part of the revenues from the facilities and services provided by the Issuer.

Bonds, notes and other obligations issued by the Issuer are not an indebtedness or obligation of, and are not guaranteed by, the Members.

In addition to the powers of the Issuer listed above, under the Organization Agreement each of the Members grants to the Issuer an exclusive franchise and right to provide electric power and energy to the Members, their inhabitants and others. The Issuer also has non-exclusive franchises to provide electric power and energy to the County, the Town of Daniel, the Town of Independence, and the Town of Interlaken.

The Board

The Issuer is governed by a six-member board of directors (the "Board"). The Heber City mayor is designated as the chair and appoints two other members from the city council of Heber City to serve on the Board. The mayor of Midway City and the mayor of Charleston Town (or a councilperson selected as their designee) are also designated as board members. The chair of the county council of Wasatch County (or another county council member as designated by the council chair) is the sixth member of the Board (with voting rights limited in certain situations).

The present Board members and the positions they hold with their respective governing bodies are as follows:

<i>Name</i>	<i>Affiliation</i>	<i>Term</i>
Heidi Franco, Director & Chair	Mayor, Heber City	December 31, 20252029
Aaron Cheatwood, Director	Council Representative, Heber City	December 31, 2028
Brenda Christensen, Director ⁽¹⁾	Mayor, Charleston Town	December 31, 2025
Kendall Crittenden, Director	Council Representative, Wasatch County Council	December 31, 2028
Sid Ostergaard, Director	Council Representative, Heber City	December 31, 2028
Kevin Payne, Director	Council Representative, Midway City	December 31, 2028

⁽¹⁾ When her terms ends on December 31, 2025, Mayor Christensen will be replaced on the Board by the new mayor of Charleston Town.

Management

General Manager. The Issuer and the System are operated under the direction of a General Manager, who serves at the pleasure of the Board. The General Manager is Jason Norlen. Mr. Norlen has been with the Issuer since October 1996 in various roles and became General Manager in February 2015. Prior to joining the Issuer, Mr. Norlen worked as a manager with a local construction company. Mr. Norlen obtained his bachelor’s degree in business from the University of Phoenix in 2009. He is an active member of the Northwest Public Intermountain Power Association’s Agency’s Board of Directors and recently served as the Chairman of the Utah Associated Municipal Power Systems’ Board of Directors

Chief Financial Officer. The Chief Financial Officer is Bart Miller. Mr. Miller has been with the Issuer since February 2014. Prior to joining the Issuer, he worked as the Chief Information Officer for an Oklahoma-based right-of-way firm. He also worked for PacifiCorp, an investor-owned utility, as a Project Controls Supervisor for large capital projects. Mr. Miller received his bachelors and master’s degrees in accounting from Utah State University. He is a Utah state-licensed CPA.

Employee Workforce and Retirement System

The Issuer presently employs 4849 permanent, full-time employees. Those employees provide all services necessary for the operation and maintenance of the System, including metering, billing, collection, personnel, line crews, service installation crews, customer service, energy conservation, engineering, plant and substation operation and maintenance (which includes mechanics and power dispatchers). The employees of the Issuer are not members of any union or labor organization, and the Issuer has never experienced a strike or work stoppage.

The Issuer participates in certain retirement plans administered by the Utah Retirement Systems (the “URS”) for all full-time permanent employees. The Issuer also sponsors a deferred compensation plan administered by URS under sections 401(k) and 457 of the Internal Revenue Code. Those plans are administered by outside managers and administrators on behalf of the Issuer and its employees. The Issuer makes contributions to the URS equal to its required contributions for each year. For the year ended December 31, 2024, the Issuer reported a net pension liability of \$837,665. See “APPENDIX A—HEBER LIGHT & POWER COMPANY AUDITED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 2024 AND 2023—Notes to Financial Statements—Note 5. Retirement Plans.”

Risk Management

The Issuer maintains insurance coverage for general, automobile, personal injury, errors and omissions, employee dishonesty, and malpractice liability up to \$2,000,000 per occurrence and excess liability coverage up to \$20,000,000 through policies administered by a third party. The Issuer also insures its buildings, including those under construction, and contents against all insurable risks of direct physical loss or damage with the third party. This insurance coverage provides for repair or replacement of damaged property at a replacement cost basis subject to a deductible of \$10,000 per occurrence for repairs and \$50,000 per occurrence for property loss. Settled claims have not exceeded the Issuer’s insurance coverage for any of the past three years.

Contingency Fund

The Issuer’s contingency fund was created to address certain large capital purchases and/or reserve requirements associated with internal generation, rate stabilization, and power market escalation. The contingency fund balance invested in the Utah Public Treasurers’ Investment Fund as of September 30, 2025, was \$4,128,190. Any decrease in the contingency fund will be replenished through available revenues. The contingency fund may be utilized for any lawful purpose of the Issuer.

Investment of Funds

Investment of Operating Funds; the Utah Money Management Act. The Utah Money Management Act, Title 51, Chapter 7, Utah Code Annotated 1953, as amended (the “Money Management Act”), governs the investment of

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all public funds held by public treasurers in the State. It establishes criteria for investment of public funds with an emphasis on safety, liquidity, yield, matching strategy to fund objectives, and matching the term of investments to the availability of funds. The Money Management Act provides a limited list of approved investments including qualified in-state and permitted out-of-state financial institutions, approved government agency securities and investments in corporate securities carrying “top credit ratings.” The Money Management Act also provides for pre-qualification of broker dealers by requiring, among other things, that broker dealers agree in writing to comply with the Money Management Act and certify that they have read and understand the Money Management Act. The Money Management Act establishes the Money Management Council (the “Money Management Council”) to exercise oversight of public deposits and investments. The law requires all securities be delivered versus payment to the public treasurer’s safekeeping bank. It requires diversification of investments, especially in securities of corporate issuers. Not more than 5% of the portfolio may be invested with any one issuer. Investments in mortgage pools and mortgage derivatives or any security making unscheduled periodic principal payments are prohibited. The Money Management Act also defines the State’s prudent investor rules. The Money Management Council is comprised of five members appointed by the Governor of the State for terms of four years, after consultation with the State Treasurer and with the advice and consent of the State Senate.

The Issuer is currently complying with all of the provisions of the Money Management Act for all Issuer operating funds. The Issuer has no investments in derivative or leveraged securities. A significant portion of Issuer funds are invested in the Utah Public Treasurers’ Investment Fund (the “Utah Treasurers’ Fund”).

The Utah Public Treasurers’ Investment Fund. The Utah Treasurers’ Fund is a public treasurers’ investment fund, established in 1981, and is managed by the Treasurer of the State of Utah. The Utah Treasurers’ Fund invests to ensure safety of principal, liquidity and a competitive rate of return on short-term investments. All moneys transferred to the Utah Treasurers’ Fund are promptly invested in securities authorized by the Money Management Act. Safe-keeping and audit controls for all investments owned by the Utah Treasurers’ Fund must comply with the Money Management Act.

All investments in the Utah Treasurers’ Fund must comply with the Money Management Act and rules of the Money Management Council. The Utah Treasurers’ Fund invests primarily in money market securities including time certificates of deposit, top rated commercial paper, treasuries and certain agencies of the U.S. Government. The maximum weighted average adjusted life of the portfolio, by policy, is not to exceed 90 days. The maximum final maturity of any security purchased by the Utah Treasurers’ Fund is limited to three years, except for a maximum maturity of five years is allowed for treasury or agency securities whose rate adjusts at least annually.

By law, investment transactions are conducted only through certified dealers, qualified depositories or directly with issuers of the securities. All securities purchased are delivered via payment to the custody of the State Treasurer or the State Treasurer’s safekeeping bank, assuring a perfected interest in the securities. Securities owned by the Utah Treasurers’ Fund are completely segregated from securities owned by the State. The State has no claim on assets owned by the Utah Treasurers’ Fund except for any investment of State moneys in the Utah Treasurers’ Fund. Deposits are not insured or otherwise guaranteed by the State.

Securities in the Utah Treasurers’ Fund must be rated “first tier” (“A-1,” “P1,” for short-term investments and “A” or better for long-term investments) by two nationally recognized statistical rating organizations. These securities represent limited risks to governmental institutions investing with the Utah Treasurers’ Fund. Variable rate securities in the Utah Treasurers’ Fund must have an index or rate formula that has a correlation of at least 94% of the effective Federal Funds rate.

Investment activity of the State Treasurer in the management of the Utah Treasurers’ Fund is reviewed monthly by the Money Management Council and is audited by the State Auditor.

See “APPENDIX A—HEBER LIGHT & POWER COMPANY AUDITED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 2024 AND 2023—Notes to the Financial Statements—Note 2. Deposits and Investments.”

Moneys from the sale of obligations issued by the Issuer (including the Series 2026 Bonds) or pledged to the payment therefor are also on deposit in funds and accounts of the Issuer and/or trustees of the Issuer. Such funds are

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typically invested in the Utah Treasurers’ Fund. Investment policies regarding such moneys are governed by the specific instruments pursuant to which such obligations were issued.

Budget Process

The Issuer must begin the calendar year with an approved budget. This budget process begins in August with the preparation and approval of the capital plan. In September the strategic plan is drafted/revised thus giving budgetary direction to management. A preliminary draft budget is then drafted and reviewed in the October meeting of the Board after which a date is set for a mandatory public meeting regarding the budget in November. The draft budget is then posted in multiple locations for public review prior to the meeting. During the public meeting the draft budget is reviewed in detail and public comment is taken. A vote is then taken to approve the budget either at the end of the public meeting or some time thereafter, but before midnight on December 31. The approved budget is then printed, and a copy is maintained in the lobby of the Issuer’s office building for public review. Hard copy versions are included with the audited financial statements in April. An electronic copy of the budget is also placed on the Issuer’s website.

Additional Information

For additional information with respect to the Issuer and its finances see “APPENDIX A—HEBER LIGHT & POWER COMPANY AUDITED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 2024 AND 2023” and “APPENDIX C—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING WASATCH COUNTY.”

Outstanding Obligations of the Issuer

See below for a list of outstanding debt obligations of the Issuer as of January 1, 2026.

OUTSTANDING ELECTRIC REVENUE BONDS

Series	Purpose	Original Amount	Final Maturity Date	Principal Amount Outstanding
2026 ⁽¹⁾	Improvements	[\$(PAR)]*	December 15, 20 (=) []*	\$(PAR)]*
2023	Improvements	29,070,000	December 15, 2047	27,720,000
2019	Improvements/Refunding	18,600,000	December 15, 2045	16,270,000
TOTAL				\$ <u> </u> \$ <u> </u> *

⁽¹⁾ For the purposes of this table the Series 2026 Bonds are considered issued and outstanding.
* Preliminary; subject to change.

Other Financial Considerations

The Issuer acquired equipment through issuance of a note [under a capital lease agreement] in the amount of \$2,000,000. The note bears an interest rate of 2.7% and is payable in annual installments of approximately \$164,000 with final maturity in 2029. See also “APPENDIX A—HEBER LIGHT & POWER COMPANY AUDITED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 2024 AND 2023—Notes to the Financial Statements, Note 4—Noncurrent Liabilities.”

Future Financing Plans

The Issuer currently has ~~no plans to issue Additional Bonds for additional projects~~ within the next three ~~to five years; however, it~~ and may issue bonds to finance those projects. However, the precise amounts, timing and other

details of any future bond issuances are not known at this time. The Issuer reserves the right to issue bonds or other obligations as its capital needs may require.

No Defaulted Bonds

The Issuer has never failed to pay principal and interest when due on its outstanding bonded indebtedness or other obligations.

Five-Year Financial Summaries

The following tables summarize certain financial information regarding the Issuer and have been extracted from the Issuer’s basic financial statements for the fiscal years ended December 31, 2020 through December 31, 2024, and unaudited, preliminary results for the fiscal year ended December 31, 2025]. The following summaries themselves are unaudited.

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HEBER LIGHT AND POWER COMPANY
Statement of Net Position
(This summary has not been audited.)

	Fiscal Year Ending December 31,				
	2024	2023	2022	2021	2020
ASSETS					
Cash & investments	\$14,936,388	\$6,201,671	\$6,632,782	\$3,901,278	\$5,384,426
Restricted cash & investments	8,282,791	23,274,411	9,925,319	18,152,483	18,175,626
Accounts receivable (net)	2,301,781	2,291,068	2,039,851	1,724,250	1,686,188
Unbilled receivables	1,707,945	1,675,159	1,570,919	1,255,936	1,227,497
Prepaid expenses	1,093,450	380,928	293,752	329,998	361,304
Inventory	8,484,856	6,406,955	4,430,810	3,757,132	1,908,637
Other current assets	<u>109,853</u>	<u>44,693</u>	<u>419,453</u>	<u>16,477</u>	<u>19,024</u>
Total current assets	<u>36,917,064</u>	<u>40,274,885</u>	<u>25,312,886</u>	<u>29,137,554</u>	<u>28,762,702</u>
Net pension assets	—	—	1,624,069	—	—
Capital Assets					
Land, construction in progress & water rights	17,660,573	30,696,175	11,646,709	8,490,412	5,396,457
Depreciable, net of accumulated depreciation	78,600,939	50,203,081	48,008,606	39,534,321	35,430,069
Net capital assets	<u>96,261,512</u>	<u>80,899,256</u>	<u>59,655,315</u>	<u>48,024,733</u>	<u>40,826,526</u>
Total assets	<u>133,178,576</u>	<u>121,174,141</u>	<u>86,592,270</u>	<u>77,162,287</u>	<u>69,589,228</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charges on refundings	294,850	321,655	348,460	375,263	402,067
Pension related	<u>1,902,283</u>	<u>1,469,341</u>	<u>1,066,496</u>	<u>847,123</u>	<u>855,526</u>
Total deferred outflows	2,197,133	1,790,996	1,414,956	1,222,386	1,257,593
LIABILITIES:					
Current Liabilities:					
Accounts payable	1,386,118	1,808,065	4,001,864	305,034	443,391
Accrued expenses	2,769,050	1,394,976	2,792,807	1,384,323	1,197,374
Related party payable	428,713	195,293	250,304	211,585	197,006
Current portion of noncurrent liabilities	<u>1,922,110</u>	<u>2,073,155</u>	<u>1,237,711</u>	<u>1,142,900</u>	<u>1,103,110</u>
Total current liabilities	<u>6,505,991</u>	<u>5,471,489</u>	<u>8,282,686</u>	<u>3,043,842</u>	<u>2,940,881</u>
Noncurrent Liabilities:					
Revenue bonds payable	43,990,000	45,145,000	17,415,000	18,070,000	18,695,000
Bond premium	4,729,397	5,247,293	2,064,811	2,394,769	2,734,907
Note payable/capital leases	615,002	758,858	898,911	1,035,233	1,167,898
Compensated absences	662,711	797,527	821,616	684,478	713,319
Early retirement incentive	104,010	75,519	103,095	153,628	160,337
Contract payable	1,199,436	1,189,196	1,178,478	1,169,270	1,232,819
Net pension liability	<u>837,665</u>	<u>562,402</u>	<u>—</u>	<u>152,084</u>	<u>1,083,085</u>
Total noncurrent liabilities	<u>52,138,221</u>	<u>53,775,795</u>	<u>22,481,911</u>	<u>23,659,462</u>	<u>25,787,365</u>
Total liabilities	58,644,212	59,247,284	30,764,597	26,703,304	28,728,246
DEFERRED INFLOWS OF RESOURCES					
Pension related	—	—	2,243,874	1,149,587	646,118
NET POSITION					
Net investment in capital assets	49,328,859	48,595,966	46,246,672	39,558,492	31,946,656
Restricted for capital projects	3,677,602	2,078,956	1,333,900	4,718,873	3,683,236
Restricted for pensions	—	—	1,624,069	—	—
Unrestricted	<u>23,715,808</u>	<u>13,033,511</u>	<u>5,794,113</u>	<u>6,254,417</u>	<u>5,842,565</u>
Total net position	<u>\$76,722,269</u>	<u>\$63,708,433</u>	<u>\$54,998,754</u>	<u>\$50,531,782</u>	<u>\$41,472,457</u>

(Source: Information extracted from the Issuer's 2020-2024 audited basic financial statements. This summary has not been audited.)

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HEBER LIGHT AND POWER COMPANY
Statement of Revenues, Expenses and Changes in Net Position
(This summary has not been audited.)

	Fiscal Year Ended December 31,				
	2024	2023	2022	2021	2020
<i>Operating Revenues</i>					
Electricity sales	\$25,131,182	\$23,757,231	\$21,602,693	\$19,797,592	\$18,451,012
Electricity sales - Jordanelle	1,865,669	1,834,964	1,142,043	1,334,051	1,804,706
Connection fees	198,694	149,673	133,526	34,770	37,400
Other income	<u>278,603</u>	<u>249,911</u>	<u>199,128</u>	<u>254,102</u>	<u>237,047</u>
Total operating revenue	<u>27,474,148</u>	<u>25,991,779</u>	<u>23,077,390</u>	<u>21,420,515</u>	<u>20,530,165</u>
<i>Operating Expenses:</i>					
Power purchases	12,618,154	11,442,806	12,610,176	9,163,150	8,618,520
Power purchases - Jordanelle	1,867,629	1,834,964	1,141,952	1,270,502	1,804,707
Salaries, wages, and benefits (unallocated)	1,268,131	1,015,534	395,693	774,064	1,350,940
System maintenance and training	4,665,538	5,352,559	4,750,440	3,837,111	3,530,575
Depreciation	3,798,370	3,398,471	3,004,438	2,706,425	2,499,494
Gas generation	2,600,570	1,861,785	1,898,661	1,236,485	702,432
Other	375,172	309,337	275,638	299,011	217,426
Vehicle	515,922	524,814	418,186	299,077	394,712
Office	142,674	153,808	141,962	131,915	137,591
Energy rebates	119,412	54,179	40,524	27,549	39,656
Professional services	235,479	225,172	231,565	133,927	138,018
Materials	231,147	180,777	252,471	130,298	137,546
Building	40,380	49,257	45,975	36,220	37,295
Bad debts	<u>16,410</u>	<u>25,680</u>	<u>15,576</u>	<u>11,439</u>	<u>16,004</u>
Total operating expenses	<u>28,494,988</u>	<u>26,429,143</u>	<u>25,223,257</u>	<u>20,057,173</u>	<u>19,624,916</u>
Operating Income	(1,020,840)	(437,364)	(2,145,867)	1,363,342	905,249
<i>Nonoperating Revenues (Expenses):</i>					
Impact fees	4,865,618	4,142,767	3,195,068	2,387,447	1,404,681
Interest income	1,518,409	1,668,408	276,314	80,566	253,314
Gain (loss) on sale of capital assets	(17,600)	70,775	(49,963)	—	24,171
Bond issuance costs	—	(387,652)	—	—	—
Interest expense	<u>(1,769,624)</u>	<u>(1,632,141)</u>	<u>(564,679)</u>	<u>(572,610)</u>	<u>(665,815)</u>
Total nonoperating revenues (expenses)	<u>4,596,803</u>	<u>3,862,157</u>	<u>2,856,740</u>	<u>1,895,403</u>	<u>1,016,351</u>
<i>Contributions (Distributions)</i>					
Contributed capital	9,437,873	5,359,622	4,056,099	6,100,580	3,275,127
Distributions to owners	—	—	(300,000)	(300,000)	(300,000)
Total contributions (distributions)	<u>9,437,873</u>	<u>5,359,622</u>	<u>3,756,099</u>	<u>5,800,580</u>	<u>2,975,127</u>
Change in Net Position	13,013,836	8,784,415	4,466,972	9,059,325	4,896,727
Net Position at Beginning of Year	63,785,869	54,998,754	50,531,782	41,472,457	36,575,730
Adjustment due to GASB 101	<u>(77,436)</u>	<u>(74,736)</u>	—	—	—
Net Position at End of Year	<u>\$76,722,269</u>	<u>\$63,708,433</u>	<u>\$54,998,754</u>	<u>\$50,531,782</u>	<u>\$41,472,457</u>

(Source: Information extracted from the Issuer's 2020-2024 audited basic financial statements. This summary has not been audited.)

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THE SYSTEM

FOR REVIEW AND UPDATE

General

The service area of the System currently covers 74 square miles in Wasatch County, providing electrical power to approximately 15,69316,136 customers in the municipalities of Heber City, Midway City Charleston Town, and the towns of Daniel, Independence, and Interlaken, as well as certain unincorporated areas of the County. The System currently consists of three hydroelectric generators and nine natural gas generating units with an overall total generating capacity of approximately 19.5 MW and includes seven substations and over 697 miles of distribution lines. A more detailed description of the System is set forth below.

Electric Generation Facilities

As previously stated, the generation facilities of the System include both natural gas and hydroelectric units. The natural gas generating facilities are located at a plant site in Heber City and include nine units with a total capacity of 15.7 MW. The following table shows the capacity and year of installation for those units:

Capacity (kW)	Year Installed
1,7323464(2 Units)	2002
3,464(2 units)1732	2003
2,739(2 units)1369	2004
3,750 (2 units)	2015
2,500200	2021
1,550	2022
2,200	2025
15,73516,265 (Total)	

The Issuer operates its natural gas generating units to provide power and energy during peak demand periods. The Issuer also utilizes its gas generators to provide a firm, back-up generating resource that enables the Issuer to purchase low-cost, non-firm energy through market and other sources. In addition, the Issuer tests electric generation products for a large international company and receives energy produced from such testing, which is included in the total of the Issuer's natural gas power plant generation. During 20212024, the Issuer operated its natural gas generating facilities to produce a total of 17,60026,057 Megawatt hours ("MWh") of energy, representing approximately 911% of the Issuer's total energy requirements in that year.

The Issuer also owns and operates three hydroelectric generating facilities: Upper Snake Creek, Lower Snake Creek, and Lake Creek Hydroelectric Plants. In 20212024, the three plants generated a total of 8,57512,541 MWh of energy representing 5% of the Issuer's total energy requirements.

The Upper Snake Creek Hydroelectric Plant is an 800-kilowatt ("kW") facility that was constructed in 1949. This facility generated approximately 4,4135,567 MWh of energy during 20212024, representing approximately 32.4% of the Issuer's total energy requirements. The Lower Snake Creek Hydroelectric Plant is a 1,200-kW facility that began operation in 1910 and was acquired by the Issuer in September 2011 from PacifiCorp. During 20212024, this facility generated approximately 2,0173,770 MWh of energy, representing approximately 1.6% of the Issuer's total energy requirements.

Despite their age, the Snake Creek plants are in good operating condition and generate electricity at economical prices. Falling water for the operation of these plants comes from Snake Creek, which flows from abandoned underground mine workings in West Mountain, northwest of Heber City. The Snake Creek flow has been consistent, running between approximately four and seven cubic feet per second during the low and high runoff seasons, respectively.

The Lake Creek Hydroelectric Plant is a 1,300-kW facility constructed in 1981. This facility generated approximately 2,1453,204 MWh during 20212024, which was approximately 1.4% of the total energy requirements

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of the System. The water supply for the Lake Creek Plant is the Lake Creek drainage, a tributary of the Provo River. Storage reservoirs on Lake Creek are used jointly by the Lake Creek Irrigation Company for irrigation purposes and the Issuer for hydrogeneration. The average annual runoff of the tributary system exceeds that needed to fill the storage reservoirs.

In total, the Issuer's natural gas and hydroelectric generating facilities (including test facilities) produced 26,175,38,599 MWh of energy in 2021 2024, representing approximately 1316% of the Issuer's total energy requirements in that year. The balance of the Issuer's electric energy requirements are purchased from various sources described under "THE SYSTEM—Power and Energy—Outside Sources" below.

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Substation and Distribution Facilities

The System presently includes approximately 697782 miles of distribution lines. The System is interconnected with the interstate transmission grid through a substation that connects to the 138-kV transmission system of PacifiCorp. The principal substation and distribution facilities included in the System are listed below:

- a 7.5 megavolt ampere (MVA) substation (Cloyes Substation) in Heber City completed in 1975;
- a 5 MVA substation (Provo River Substation) near Midway completed in 1980;
- a 10 MVA substation (Midway Substation) in Midway upgraded to current capacity in 2011;
- a 34 MVA substation (Jailhouse Substation) in Heber City completed in 2002;
- a 40 MVA substation in (College Substation) Wasatch County in Heber City completed in 2008;
- a 40 MVA substation (Heber Substation) completed in 2010 in Heber City;
- a 24 MVA substation (Heber Plant Substation) consisting of three 5 MVA transformers completed in 2003 in Heber City;
- 34a 100 MVA substation (Southfields Substation) in Wasatch County completed in 2024;
- 38.03 miles of 46 kV sub-transmission lines;
- 10 miles of, built to 138 kV transmission lines specification; and
- 697782 miles of distribution lines.

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Other Facilities. The Issuer utilizes a system control and data acquisition (SCADA) system to provide data acquisition and to control the operations of the System. An upgraded SCADA system was installed during 2021-2022. The Issuer also owns various office, administrative, storage and garage facilities and various trucks and equipment used in the regular operations of the System. In addition to the SCADA system, the Issuer is fully deployed with AMI meters. In the opinion of management, the facilities and equipment of the Issuer are in good operating condition.

System Rates

Rates fixed and charged for the energy distributed by the Issuer are established by its Board. The Board has exclusive authority to establish such rates and any rate resolution adopted by the Board may be immediately effective in accordance with its terms. The Issuer is not required to seek approval of its electric service rates from any State or federal regulatory body.

To spread out the billing and collection processes, the Issuer has divided the customer base into two separate cycles based upon customer demographics. "Cycle 1" customers are predominantly Heber City customers. "Cycle 2" customers represent the balance of the Issuer's service territory. Cycle 1 customers are billed on the 15th of the month for energy used between the 9th of the prior month and the 8th of the current month. Cycle 2 customers are billed on the last day of the month for energy used between the 23rd of the prior month and the 22nd of the current month. In July April of 2022 2025, the Issuer approved rate increases to be implemented over three years for each cycle with the rate increase being fully implemented [as of October 1, 2024]. [Discuss Residential 2027. Part of this rate study included the implementation of Opt-out Time-of-Use rates] for all customers beginning in October of 2026. The 2022 rate study established an Opt-in Time-Of-Use rate program as a pilot for both rate levels and system

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compatibility. The Opt-in Time-Of-Use rate program is now being pushed out to all accounts unless the customer elects to opt-out. Time-Of-Use rates are designed to more accurately bill the daily energy costs to the customers that use the energy.

Set forth below are the Issuer's current rates for residential customers, various sizes of general service customers, and pumping customers.

Effective 10/1/2024	
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	9
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	2
	3
	/
	2
	6
04/23/25 –	
09/22/26	
	0
	9
	/
	2
	2
	/
	2
Residential (Opt-out rates for customers	
starting 2026)	7
Monthly Facilities Charge	
	1
	8
	÷
	9
	0
\$18.40 / 35.40	/
	3
	6
Service Size 400 amps or	
lessBase/Customer Charge: <=400	÷
	9
AMP / >400 AMP	0
Service Size over 400 amps	
35.40	
Energy Rates	
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0.11823/kWh	
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Commercial

Monthly Fee Schedule

Winter On-Peak

Winter Off-Peak

Summer On-Peak

Summer Off-Peak

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Monthly Facilities Charge

Attestation

Base/Customer Charge

Energy Rate	
-Block	99.0684
Demand Charge: Less than or equal to 1kW	-

Demand Charge: Greater than 1 kWRate

All Energy
General Service - Medium
Commercial(>30kW) - Pumping
Monthly Facilities Charge

Base/Customer Charge

Demand Rate

150.00

14.45/kW

0.06841/kWh

9.85/kW

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Winter Off-Peak

Summer On-Peak

Summer Off-Peak

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Based on 1,000 kilowatt-hours ("kWh") of monthly energy consumption by a typical household, the Issuer's current rate structure produces an average rate of [12¢ per kWh.]

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The fees for various other services as of [____], 2025, as set by the Board, are as follows:

Convenience Fee	3% (used on impact fee and work order cc payments)
Late Payment Charge	1.5% (applied on any past due amounts)
Returned Payment Charge	\$15
Reconnect Fee	\$30
Service Application Fee	\$20
Seasonal Disconnect Fee	\$50
Impact Fee	Calculated upon requested amperage of service
Line Extension/New Development-Installation	Estimate for labor, materials and overhead provided upon request
<u>Initiation/Will Serve</u>	<u>\$200</u>
Design Fee	\$300 (per development phase fee)
Design Fee (resubmit)	\$20 per residential/commercial unit
Truck Roll Fee	\$85 (Set fee for extra vehicle trips)
<u>Dig-in/Damage Mobilization Fee</u>	<u>Graduated (\$300 Min.; \$1,000/hr. when over an hour)</u>
Temporary Meter Connection	\$500 (Fee for new services that desire a temporary meter set)
Wire Pull (up to 400 amps)	\$380 plus meter cost (customers on services larger than 400 amps are responsible to install wire)
Connection fee for first-time metered service (single-phase)	\$235
Connection fee for first-time metered service (3-phase)	\$470
Meter – Nonstandard Meter – Monthly Meter Reading Charge	\$20
Net-Metering ⁽¹⁾ – Application Fee	\$400
Generation Transfer Switch – Preliminary Inspection Fee	\$100 (verification trip for sizing and device appropriateness)
Generation Transfer Switch – Installation Fee	\$100 (installation and meter re-installation)
Outside Lighting (Yard Lights)	\$7.509.30/month
Outside Lighting Maintenance	\$25 plus parts

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⁽¹⁾ Net metering measures the difference between the energy that a customer consumes from the grid and the excess energy that a customer sends back onto the grid when their renewable energy generation exceeds the amount of energy that their home or business is using. The Issuer's net metering policy allows for any excess electricity that is generated by the customer to be banked as a credit towards future energy usage until the end of March. During the first week of April, the Issuer will pay for any unused kilowatt hours at the customer's retail rate.

The Issuer also collects impact fees for new connections and/or added load to the System based on the service amperage and type of connection requested. The Issuer can only expend these impact fees on certain capital improvements that are necessary to serve new growth on the System. ~~A 34% An~~ increase in impact fee rates was approved by the Board in May/November of 2023/2025 and went/will go into effect in July/February of 2023, increasing the 2026. The fee increased by 2%. The new rate for a single-phase amp to \$31.55. A cost-of-service study was completed in March of is \$34.56. 2025. [Additional increases being considered?]

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Largest Customers of the Issuer

The Issuer’s records show the following statistics for the fiscal year ending December 31, 2024. The Issuer reports that the top five customers of the System account for no more than 10.3% of the total annual electric charges collected for fiscal year 2024.

Customer	kWh Sold	Annual Billing	% of Total Usage
School District	8,271,354	\$870,855	4.0%
County Facilities	4,067,937	405,571	1.8
Medical Facility	3,448,900	278,832	1.6
Special Service District ⁽¹⁾	3,318,504	259,732	1.5
Conservancy District	3,043,738	62,235	1.4
Total	22,150,433	1,877,225	10.3

⁽¹⁾ This entity is a water district which gets a lower, negotiated rate due to its participation in the Issuer’s hydroelectric transmission.

The Issuer’s records show the following statistics for the fiscal year ending December 31, 2025. The Issuer reports that the top five customers of the System account for approximately []% of the total annual electric charges collected as of [November 30, 2025].

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Customer	kWh Sold	YTD Billing	% of Total Usage
School District			
County Facilities			
Medical Facility			
Special Service District ⁽¹⁾			
Conservancy District			
Total			

⁽¹⁾ This entity is a water district which gets a lower, negotiated rate due to its participation in the Issuer’s hydroelectric transmission.

Billing Procedures, Collection, and Enforcement

All customers are required to abide by the Issuer’s collection policy. Payment of charges for services is due 10 days after the billing date. If such charges are not paid by the due date, a notice of delinquency is sent 30 days after the billing date. If the account remains unpaid 30 days after the notice of delinquency, service is disconnected.

Licenses, Permits and Approvals

The Issuer operates the natural gas power units under an approval order from the State of Utah Division of Air Quality. The current approval order dated June 6, 2022January 29, 2024, allows the Issuer to operate as a minor source for all pollutants under the State Title V program and is a modification to the prior approval order allowing the Issuer to replace generators and remain a synthetic minor source. Any updates?

The Issuer holds all other licenses, permits and approvals necessary for the operation of the System.

Management’s Discussion of Operations

Can this be updated with information to date for 2025?

Financial Highlights: Revenues from the sale of electricity in 2024 were \$27,474,1482025 are forecasted to be \$29,907,653, an increase of \$1,482,3696,150,422 or 626% above 2023’s2024’s revenue. This increased revenue is largely driven by a 13% rate increase enacted in April of 2025 as well as an increase in customer accounts and usage patterns. Load growth on the System increased the quantity of power purchases by 7.4% to 221,222236,792 MWh

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during 20242025. Internal gas generation ~~expense~~expenses are forecasted to be increased in 20242025 by \$738,785427,505, largely driven by maintenance expenses.

During 20242025, the Issuer collected impact fees from all customers who added new or additional electrical load to the utility's distribution system. This charge continues to be in response to the rapid growth that has been experienced in Heber Valley and provides the utility with the necessary funds to add new distribution system plant which is required to serve the customers. The funds collected as impact fees are restricted to being used for new or upgraded plants to serve additional load and cannot be applied to operational expenses. The impact fee revenue in 2024 was \$4,865,618; 2025 is forecasted to be \$3,910,714. During 2024, withdrawals in the amount of \$4,900,110 were removed from the 2025, all impact fees to reimburse collected have been used by the Issuer for various capital project expenses.

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The Issuer collects fees from developers and customers in aid of utility construction to provide electrical service. These fees, hereafter referred to as "Contributed Capital," represent the recovery of costs associated with onsite electrical upgrades or infrastructure additions, and distribution system upgrades required as a result of the customer's connection. In 20242025, the projected revenue from Contributed Capital was \$9,437,873 is \$6,552,956.

During 2024, the Issuer saw an increase in net pension liability of \$275,263. This increase is based off actuarial assumptions provided by the Utah Retirement System. Issuer will not receive an update on this number until late January 2026.

Operational Highlights: In 20242025 the Issuer's customer base continued to grow with the addition of numerous residential customers, along with new general service customers. Total As of October 31, 2025, total active customers are 15,757 as of December 31, 2024, 16,136.

Financial Analysis: The Issuer's total assets and deferred outflows net of accumulated depreciation were \$133,178,576. Total net position for 2024 increased by \$13,013,836. Most of this increase resulted from an increase in new System assets from the economic expansion within Heber Valley.

General Fund Budgetary Highlights: In 2024, operating expenses came in below budget. Revenues also came in slightly below budget. The biggest budget variance was better than planned power purchases due to favorable energy markets in the early months of the year.

Economic Factors and Fiscal Year 2025 Budget and Rates: The 2025 budgeted revenues are forecasted to be higher than 2024 actuals. This is a reasonable estimate considering the effects of the April 2025 rate increase and the current economy of new customer growth in the Issuer's service territory.

The Issuer continues to review its rates to ensure appropriate expense recovery and funding of capital purchases. Any future rate adjustments considered will preserve existing revenues to ensure appropriate funding. Where possible, the goal of the Issuer is to fund its capital requirements without incurring additional debt. New rates were put into service on April 9, 2025, and additional increases are planned for October 1, 2022-20232026, and 2024October 1, 2027. A significantslight increase in Impact Feeimpact fee rates was approved in MayNovember of 20232025 and wentwill go into effect in JulyFebruary of 20232026. The fee increased by 342%. The new rate for a single-phase amp became \$31.5534.56.

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Selected Operating Information

The following tables present certain statistical information regarding the operation of the System for the calendar years indicated.

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<i>Number of Metered Customers</i>					
Residential	13,549	12,660	12,011	11,664	11,342
Commercial	<u>2,444</u>	<u>2,418</u>	<u>2,170</u>	<u>2,018</u>	<u>1,833</u>
Total Metered Customers	15,993	15,078	14,181	13,682	13,175
<i>Energy Supply (MWh)</i>					
System Generation	38,599	36,346	33,368	26,175	23,111
Purchased Energy	<u>198,193</u>	<u>184,073</u>	<u>181,978</u>	<u>180,860</u>	<u>177,672</u>
Total Energy Supply	236,792	220,419	215,616	207,035	200,783
<i>Energy Sales (MWh)</i>					
Residential	131,051	122,252	116,233	110,756	105,976
Commercial	<u>90,171</u>	<u>83,761</u>	<u>85,147</u>	<u>82,388</u>	<u>80,832</u>
Total Energy Sales	221,222	206,013	201,380	193,144	186,808

Summary of Production Cost

<u>Year</u>	<u>Cost per kWh⁽¹⁾</u>
2024	<u>0.05350794</u>
2023	0.0799
2022	0.0600
2021	0.0430
2020	0.0420

⁽¹⁾ Includes an operation and maintenance component.

Historical and Projected Debt Service Coverage

The following table sets forth the historical and projected debt service coverage for the System of the Issuer for the years shown.

(The remainder of this page intentionally left blank.)

To be updated!

Heber Light & Power Company - Historical and Projected Debt Service Coverage

	2020	2021	Historical 2022	2023	2024	Forecasted 2025	Growth Rate	2026	Projected 2027	2028	2029
Operating Revenue											
Electricity Sales	20,255,718	21,131,643	22,744,733	25,592,195	26,996,851	28,705,451	5%	30,140,724	31,647,760	33,230,148	34,891,655
Other Income	274,447	288,873	332,654	399,584	477,207	481,606	0%	481,606	481,606	481,606	481,606
Total Operating Revenue	20,530,165	21,420,516	23,077,387	25,991,779	27,474,148	29,187,057		30,622,330	32,129,366	33,711,754	35,373,261
Power Production Expense	(849,511)	(1,251,065)	(2,032,214)	(2,079,597)	(2,780,552)	(3,370,809)	2%	(3,438,225)	(3,506,990)	(3,577,130)	(3,648,672)
Purchased Power Expense	(10,462,883)	(10,461,202)	(13,792,652)	(13,331,949)	(14,607,979)	(16,432,218)	4%	(17,089,507)	(17,773,087)	(18,484,010)	(19,223,371)
Total Cost of Sales	(11,312,394)	(11,712,267)	(15,824,866)	(15,411,545)	(17,388,531)	(19,803,027)		(20,527,732)	(21,280,077)	(22,061,140)	(22,872,043)
Operations and Maintenance Expense											
Operations Expense	(338,225)	(518,597)	(677,997)	(983,011)	(1,024,518)	(989,518)	0%	(989,518)	(989,518)	(989,518)	(989,518)
Maintenance Expense	(2,286,115)	(2,455,296)	(3,065,635)	(3,426,346)	(3,845,400)	(3,135,855)	1%	(3,167,214)	(3,198,886)	(3,230,875)	(3,263,184)
Total O&M Costs	(2,624,341)	(2,973,893)	(3,743,632)	(4,409,358)	(4,869,919)	(4,125,373)		(4,156,732)	(4,188,404)	(4,220,393)	(4,252,702)
Administrative and General Expense											
Customer Related	(588,885)	(576,455)	(581,118)	(748,493)	(692,164)	(515,868)	0%	(589,274)	(1,067,336)	(1,152,723)	(1,244,940)
Employee Related	(1,415,661)	(813,521)	(1,042,191)	(1,195,457)	(1,439,180)	(1,374,065)	9%	(1,497,731)	(1,632,527)	(1,779,454)	(1,939,605)
Facilities and Supplies	(380,610)	(373,759)	(134,088)	(181,371)	(290,626)	(291,798)	0%	(291,798)	(291,798)	(291,798)	(291,798)
IT/Communication	(576,322)	(481,644)	(534,745)	(583,186)	(577,720)	(600,647)	4%	(624,673)	(649,660)	(675,646)	(702,672)
Vehicles	(394,712)	(419,213)	(418,186)	(524,814)	(515,922)	(523,499)	11%	(581,084)	(645,003)	(715,953)	(794,708)
Total Ad&G Costs	(3,269,610)	(2,664,592)	(2,669,323)	(3,234,321)	(3,515,609)	(3,705,077)		(3,983,559)	(4,286,323)	(4,615,574)	(4,973,723)
Total Operating Income:	3,323,820	4,069,764	858,566	2,936,554	2,700,089	1,553,580		1,954,307	2,374,562	2,814,647	3,274,793
Depreciation	(2,499,494)	(2,706,425)	(3,004,438)	(3,398,471)	(4,455,654)	(4,605,774)	12%	(4,990,332)	(5,589,172)	(6,259,873)	(7,011,058)
Total Operating Income less Depreciation:	824,327	1,363,339	(2,145,872)	(461,917)	(1,755,565)	(3,052,195)		(3,036,026)	(3,214,610)	(3,445,226)	(3,736,264)
Non-Operating Revenues											
Interest	253,314	80,566	276,314	1,668,408	1,518,409	642,852		65,000	65,000	15,000	15,000
Gain on Sale of Assets	24,171	-	(49,963)	-	17,600	-		-	-	-	-
Impact Fees	1,404,681	2,387,447	3,195,068	4,142,767	4,865,618	3,000,000		2,000,000	2,000,000	2,000,000	2,000,000
Contributions in Aid of Construction	3,275,127	6,100,580	4,056,099	5,359,622	9,437,873	3,000,000		2,000,000	2,000,000	2,000,000	2,000,000
Total Non-Operating Revenues:	4,957,293	8,568,593	7,477,518	11,170,797	15,839,301	6,642,852		4,065,000	4,065,000	4,015,000	4,015,000
Funds Available for Debt Service:	8,281,113	12,638,357	8,336,084	14,107,351	18,539,590	6,398,622		6,019,307	6,439,562	6,829,647	7,289,793
Debt Service											
2010 Electric Revenue Bonds	(1,029,900)	-	-	-	-	-		-	-	-	-
2012 Electric Revenue Bonds	(358,800)	(354,800)	(355,650)	(361,200)	(368,000)	(104,000)		-	-	-	-
2014 Generator Capital Lease	(163,901)	(164,032)	(164,140)	(164,222)	(164,278)	(164,308)		(164,311)	(164,286)	(164,233)	(164,150)
2019 Electric Revenue Bonds	(1,102,125)	(1,096,250)	(1,096,500)	(1,096,000)	(1,094,750)	(1,092,750)		(1,450,000)	(1,453,500)	(1,440,000)	(1,445,250)
2023 Electric Revenue Bonds	-	-	-	(1,263,738)	(2,103,500)	(2,121,000)		(2,106,000)	(2,105,000)	(2,102,250)	(2,122,750)
Total Debt Service	(2,654,726)	(1,615,082)	(1,616,290)	(2,885,160)	(3,730,528)	(3,482,038)		(3,720,311)	(3,722,786)	(3,706,483)	(3,732,150)
Debt Service Coverage:	3.12 X	7.83 X	5.16 X	4.89 X	4.97 X	1.84 X		1.62 X	1.73 X	1.84 X	1.93 X
Debt Service Coverage without Impact Fees:	2.59 X	6.35 X	3.18 X	3.45 X	3.67 X	0.98 X		1.08 X	1.19 X	1.3 X	1.42 X
Capital Assets (Book Value)	37,744,376	48,024,733	59,897,874	80,899,256	95,604,227	123,604,227		127,613,895	131,024,723	133,764,850	135,753,792
Return on Investment (ROI):	2%	3%	4%	-1%	-2%	-2%		-2%	-2%	-3%	-3%

1) Capital expansion has shifted less crew labor to capital expenditures and away from OM&G.

2) The 2010B Bond that had a B&B's subsidy was refunded as part of the 2019 Bond.

3) Interest spiked in 2023 until the 2023 Bond funds will be fully utilized for capital construction costs.

Historical and Projected Debt Service Coverage

	Historical				Unaudited	Growth					
	2021	2022	2023	2024	2025	Rate	2026	2027	2028	2029	2030
Operating Revenue											
Electricity Sales	21,131,643	22,744,733	25,592,195	26,996,851	31,788,224	5%	34,409,768	36,130,256	37,936,769	39,833,608	41,825,288
Other Income	288,873	332,654	399,584	477,297	502,843	0%	445,603	445,603	445,603	445,603	445,603
Total Operating Revenue:	21,420,516	23,077,387	25,991,779	27,474,148	32,291,067		34,855,371	36,575,859	38,382,372	40,279,211	42,270,891
Power Production Expense	(1,251,065)	(2,032,214)	(2,079,597)	(2,780,552)	(2,280,290)	2%	(4,589,065)	(4,680,846)	(4,774,463)	(4,869,952)	(4,967,352)
Purchased Power Expense	(10,461,202)	(13,792,652)	(13,331,949)	(14,607,979)	(16,977,537)	4%	(15,408,309)	(16,024,641)	(16,665,627)	(17,332,252)	(18,025,542)
Total Cost of Sales:	(11,712,267)	(15,824,866)	(15,411,545)	(17,388,531)	(19,266,827)		(19,997,374)	(20,705,488)	(21,440,090)	(22,202,205)	(22,992,894)
Operations and Maintenance Expense											
Operations Expense	(518,597)	(677,997)	(983,011)	(1,024,518)	(1,052,267)	0%	(1,127,000)	(1,127,000)	(1,127,000)	(1,127,000)	(1,127,000)
Maintenance Expense	(2,455,296)	(3,065,635)	(3,426,346)	(2,845,400)	(3,163,157)	1%	(3,705,824)	(3,742,883)	(3,780,312)	(3,818,115)	(3,856,296)
Total O&M Costs:	(2,973,893)	(3,743,632)	(4,409,358)	(3,869,919)	(4,215,424)		(4,832,824)	(4,869,883)	(4,907,312)	(4,945,115)	(4,983,296)
Administrative and General Expense											
Customer Related	(576,455)	(521,113)	(749,493)	(692,161)	(907,281)	8%	(949,541)	(1,025,504)	(1,107,544)	(1,196,148)	(1,291,839)
Employee Related	(813,521)	(1,042,191)	(1,195,457)	(1,439,180)	(1,553,080)	9%	(1,649,724)	(1,798,199)	(1,960,037)	(2,136,440)	(2,328,720)
Facilities and Supplies	(373,759)	(134,088)	(181,371)	(290,626)	(168,248)	0%	(185,664)	(185,664)	(185,664)	(185,664)	(185,664)
IT/Communication	(481,644)	(534,745)	(583,186)	(577,720)	(611,013)	4%	(659,885)	(686,280)	(713,732)	(742,281)	(771,972)
Vehicles	(419,213)	(418,186)	(524,814)	(515,922)	(667,193)	11%	(643,000)	(713,730)	(792,240)	(879,387)	(976,119)
Total A&G Costs:	(2,664,592)	(2,650,323)	(3,234,321)	(3,515,609)	(3,906,815)		(4,087,814)	(4,409,377)	(4,759,217)	(5,139,920)	(5,554,315)
Total Operating Income:	4,069,764	858,566	2,936,554	2,700,089	4,902,002		5,937,359	6,591,112	7,275,753	7,991,972	8,740,387
Depreciation	(2,706,425)	(3,004,438)	(3,398,471)	(4,455,654)	(4,182,475)	12%	(5,880,000)	(6,585,600)	(7,375,872)	(8,260,977)	(9,252,294)
Total Operating Income less Depreciation:	1,363,339	(2,145,872)	(461,917)	(1,755,565)	719,527		57,359	5,512	(100,119)	(269,005)	(511,907)
Non-Operating Revenues											
Interest	80,566	276,314	1,668,408	1,518,409	944,097		360,000	65,000	15,000	15,000	15,000
Gain on Sale of Assets	=	(49,963)	=	17,600	=		=	=	=	=	=
Impact Fees	2,387,447	3,195,068	4,142,767	4,865,618	3,910,714		3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Contributions in Aid of Construction	6,100,580	4,056,099	5,359,622	9,437,873	6,552,956		3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Total Non-Operating Revenues:	8,568,593	7,477,518	11,170,797	15,839,501	11,407,767		6,360,000	6,065,000	6,015,000	6,015,000	6,015,000
Funds Available for Debt Service:	12,638,357	8,336,084	14,107,351	18,539,590	6,398,622		12,297,359	12,656,112	13,290,753	14,006,972	14,755,387
Debt Service											
2012 Bonds	(354,800)	(355,650)	(361,200)	(368,000)	(4,000)		=	=	=	=	=
2014 Capital Lease	(164,032)	(164,140)	(164,222)	(164,278)	(164,309)		(164,311)	(164,286)	(164,233)	(164,150)	=
2019 Bonds	(1,096,250)	(1,096,500)	(1,096,000)	(1,094,750)	(737,750)		(720,000)	(1,453,500)	(1,440,000)	(1,445,250)	(1,443,250)
2023 Bonds	=	=	(1,263,738)	(2,103,500)	(1,421,000)		(1,386,000)	(2,105,000)	(2,102,250)	(2,122,750)	(2,105,250)
2026 Bonds*	=	=	=	=	=		(1,386,000)	(2,105,000)	(2,102,250)	(2,122,750)	(2,105,250)
Total Debt Service*	(1,615,082)	(1,616,290)	(2,885,160)	(3,730,528)	(2,327,059)		(3,656,311)	(5,827,786)	(5,808,733)	(5,854,900)	(5,653,750)
Debt Service Coverage:*	7.83 X	5.16 X	4.89 X	4.97 X	2.75 X		5.42 X	2.17 X	2.29 X	2.39 X	2.61 X
Debt Service Coverage without Impact Fees:*	6.35 X	3.18 X	3.45 X	3.67 X	1.07 X		4.1 X	1.66 X	1.77 X	1.88 X	2.08 X

* Preliminary; subject to change.

Sources of Energy

On average, the Issuer generates approximately 13.16% of the electric energy requirements of its customers and purchases the balance of the energy needed to meet such requirements from various outside sources. The Issuer purchases (or has available to it) electric energy from the following sources to meet the net requirements of the System:

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- energy from the federal Colorado River Storage Project (“CRSP”), which is purchased by the Issuer from the United States Department of Energy, Western Area Power Administration (“WAPA”);
- energy from the ownership interest of Utah Associated Municipal Power Systems (“UAMPS”) in the Hunter Steam Electric Generating Unit No. 2 (“Hunter 2”), a 446-megawatt coal-fired steam-electric generating unit operated by PacifiCorp, through a Power Sales Contract between the Issuer and UAMPS;
- energy purchased through the UAMPS power pool (the “UAMPS Pool”) under a Power Pooling Agreement (the “Pool Agreement”) administered by UAMPS for its members;
- energy generated by the Intermountain Power Project (“IPP”), through a Power Sales Contract between Heber City and the Intermountain Power Agency (“IPA”);
- energy generated by the Jordanelle Hydroelectric Project (“Jordanelle”), under an agreement between the Issuer and the Central Utah Water Conservancy District;
- energy generated at the Pleasant Valley Wind Project (“Pleasant Valley”), located in southwest Wyoming, through a Power Sale Contract between the Issuer and UAMPS;
- energy generated at the Horse Butte Wind Project (“Horse Butte”), located in Idaho, through a Power Sale Contract between the Issuer and UAMPS;
- energy generated at the Patua Generating Facility (“Patua”), located in Nevada, through a Firm Power Supply Agreement between the Issuer and UAMPS;
- energy generated at the Red Mesa Tapaha Solar Project (“Red Mesa”), located in Utah, through a Power Sale Contract between the Issuer and UAMPS; and
- energy generated at the Steel Solar 1A Solar Project (“Steel One”), located in Utah, through a Power Sale Contract between the Issuer and UAMPS.

The payments made by the Issuer under these contracts for purchased energy constitute Operation and Maintenance Costs of the System under the Indenture. Certain of these contracts are “take-or-pay” obligations of the Issuer and may require, under certain circumstances, that the Issuer pay for electric energy that is not delivered to or used by the Issuer.

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System Energy Resources for System Peak

	Historical							Projected						
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
System Resource (kWh)(1)														
CRSP/WAPA	45,936,492	48,656,576	48,983,723	48,955,633	55,325,570	54,283,496	47,937,203	53,134,573	40,353,413	37,528,674	34,901,667	32,458,550	30,186,452	
Hunter	26,262,292	23,909,142	27,241,055	29,374,226	27,872,844	6,584,990	15,590,709	10,901,824	19,197,320	19,197,320	19,197,320	19,197,320	19,197,320	
Power Pool(2)	68,653,032	61,362,837	72,327,657	75,756,602	73,375,161	62,703,492	57,599,567	45,347,918	70,996,786	70,082,052	82,533,106	79,177,819	79,177,819	
IPP(3)	-	-	-	2,284,925	4,211,211	25,901,959	31,315,528	30,867,267	17,607,600	17,607,600	35,215,200	17,607,600	17,607,600	
Power Plant	19,480,782	20,617,959	15,707,194	17,600,357	23,492,581	22,748,423	26,057,819	46,802,683	51,019,459	66,116,335	57,931,305	99,737,097	106,468,253	
Hydroelectric	9,825,085	12,835,361	7,403,765	8,575,131	10,145,774	13,597,917	12,541,477	9,689,828	8,575,131	8,575,131	10,145,774	10,145,774	10,145,774	
Patua	1,562,470	8,207,861	9,305,889	9,650,454	7,538,312	7,462,998	8,470,363	9,661,170	8,602,202	8,039,418	8,039,418	8,039,418	8,039,418	
Pleasant Valley	441,891	360,148	417,583	393,955	544,123	344,155	357,579	408,491	408,491	411,993	411,993	411,993	-	
Horse Butte	2,627,662	2,629,078	2,993,278	2,888,313	2,727,162	2,066,005	2,571,161	2,067,209	2,714,258	2,714,258	2,714,258	2,714,258	2,714,258	
Jordanelle	15,872,375	14,901,429	16,403,141	11,555,034	10,383,171	16,725,249	16,978,313	13,766,649	16,022,051	15,872,375	14,915,630	16,403,141	15,872,375	
Red Mesa	-	-	-	-	--	8,000,196	6,770,135	8,665,225	7,860,887	7,860,887	7,860,887	7,860,887	7,860,887	
Steel One	-	-	-	-	--	-	10,602,345	14,364,834	10,575,105	10,575,105	10,575,105	10,575,105	10,575,105	
McCormick NG(5)	-	-	-	-	-	-	-	-	--	--	--	--	16,371,000	
Resources Total	190,662,081	193,480,391	200,783,285	207,034,630	211,404,6982	212,220,418,6	226,189,8542	245,677,671	253,932,703	264,581,148	284,441,663	304,328,962	324,216,260	
System Peak(kW)(4)	42,503	43,207	46,242	48,605	50,549	51,483	55,720	57,692	59,961	62,458	67,123	71,788	76,453	

- (1) Table shows number of kWh utilized from listed resource. See “Electric Generation Facilities” and “Power and Energy–Outside Sources” for further details.
- (2) Power Pool includes long-term market purchases, seasonal shaped purchases, and Western Replacement Market Power from WAPA.
- (3) There are 11 MW (98,865,360 kwh) of IPP available to call back for base load as needed.
- (4) System peaks will be filled in by market supply, depending on the most economical source.
- (5) please provide information re McCormick NG source.
- Any updates to 2025 projections or to 2026-2030 projections?

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Power and Energy—Outside Sources

[\(Please review for updates.\)](#)

Set forth below are descriptions of CRSP, Hunter 2, the UAMPS Pool, IPP, Jordanelle, and other outside power sources, and the Issuer's arrangements for purchases of electric power and energy from these sources. This information has been obtained from Western Area Power Administration, UAMPS, IPA and other sources believed to be reliable. The Issuer makes no representation as to the accuracy or completeness of this information.

Colorado River Storage Project ("CRSP"). CRSP is owned by the United States of America and administered by the federal agency Western Area Power Administration ("WAPA"). CRSP provides its 670 customers which include municipalities, joint agencies like UAMPS, Rural Electric Authorities ("REAs"), investor-owned utilities, and state and federal agencies with energy. WAPA was organized to assume responsibility for the marketing and transmission of energy produced by CRSP and other federally owned energy sources. WAPA's customers in this 1,300,000 square-mile area in 15 western and central states include municipalities, rural electric cooperatives, investor-owned utilities, utility and irrigation districts and state and federal agencies. CRSP is primarily a hydroelectric-based resource, with the amounts of CRSP power and energy available for purchase by the Issuer being subject to seasonal and annual hydrologic variations in the watershed of the Colorado River Basin.

CRSP Contract. The Issuer has a firm allocation of CRSP capacity and energy that is purchased pursuant to an Integrated Contract for Electric Service between the Issuer and WAPA. The Issuer is presently entitled to purchase power and energy from CRSP through an allocation from WAPA of up to 8.9 MW of firm capacity during the winter season (October through March) 6 MW of firm capacity during the summer season (April through September). For ~~2024~~2024, the blended cost to the Issuer of CRSP power and energy was approximately \$29.15/MWh. The Issuer currently receives about ~~24~~20% of its power from WAPA.

Rates. WAPA is obligated to review annually its rates for CRSP energy to ensure that such rates generate sufficient revenues to cover the operating and other expenses of CRSP. WAPA has had several rate increases over the past few years mainly due to operational constraints placed on the various dams in the CRSP project.

The WAPA Rate Order 199, approved in the fall of 2022, separated the cost of hydropower from replacement power. This distinction was necessary due to drought conditions reducing available hydropower. The Deliverable Sales Amount ("DSA") is the amount of hydropower capacity and energy that will be available to the customer, determined quarterly, based on the forecasted Salt Lake City Area/ Integrated Projects ("SLCA/IP") generation. Each customer receives its proportionate share of the marketable hydropower capacity and energy. The Western Replacement Firming ("WRF") power is market power that can be purchased quarterly to allow customers to maintain historical levels of energy delivery from WAPA. Customers can elect to purchase replacement energy quarterly. This energy is purchased by WAPA for the customer from the market and the cost is market-based. ~~The WAPA-199 composite rate is 30.51 mills/kWh Energy: 12.36 mills/kWh Capacity: 5.25 \$/kW. On July 13, 2022, CRSP initiated a rate action to have a new rate (WAPA-206) in place with an effective date of no later than January 1, 2024, to replace WAPA-199, which expires on December 31, 2023. The Issuer is participating in meetings with WAPA regarding the new rate and continues to monitor the process.~~

The WAPA 199 rate was replaced by the WAPA-206 rate. The composite rate is 31.38 mills/kWh Energy: 12.36 mills/kWh Capacity: 5.25 \$/kW. On January 1 2024, CRSP approved a schedule of rates for firm electric service under rate order (WAPA-206) January 1, 2024, through December 31, 2028 to replace WAPA-199, which expired on December 31, 2023.

Hunter Steam Electric Generating Plant No. 2 ("Hunter 2"), Power Pooling Agreements ("Pool"), Pleasant Valley Wind Project ("Pleasant Valley"), Horse Butte Wind Project ("Horse Butte"), Patua Generating Facility ("Patua") and Red Mesa Tapaha Solar Project ("Red Mesa"). The Issuer is a member of UAMPS and as such participates in UAMPS' Hunter 2, Power Pool, Pleasant Valley, Horse Butte, Patua and Red Mesa projects. UAMPS is a separate legal entity and a political subdivision of the State of Utah, consisting of 45 members who are primarily municipalities and special districts from Utah. UAMPS was created pursuant to the provisions of the Interlocal Act and the Utah Associated Municipal Power Systems Agreement for Joint and Co-operative Action. UAMPS was formed to provide for the planning, financing, development, acquisition, construction, operation, or maintenance of

one or more facilities for the generation, transmission, and/or distribution of electric energy, or an ownership interest or capacity right therein. UAMPS is governed by a Board of Directors, elected from the Member Representatives. The Issuer's General Manager, Jason Norlen, currently serves as the Issuer's representative on the UAMPS Board of Directors.

Since its creation, UAMPS has sought to develop new electric power supplies for its members through (a) the acquisition of interests in electric generating facilities, (b) the execution of long-term contracts for firm supplies of electric power and energy for resale to its members, and (c) the development of transmission access to excess power supply markets in adjacent states. Through a diversity of power supply resources, UAMPS' members, including the Issuer, are able to decrease their reliance on any single source of electric power.

Hunter 2. The Hunter 2 project consists of UAMPS' undivided 14.582% ownership interest in Hunter 2, a 446 MW coal-fired electric generating unit located in Emery County, Utah. The Issuer is entitled to 5.82% of UAMPS' ownership interest. Hunter 2 has been in commercial operation since June 1980. Hunter 2 is jointly owned by PacifiCorp, UAMPS and Deseret Generation and Transmission Cooperative ("DG&T") and is operated by PacifiCorp pursuant to an Ownership and Management Agreement among the co-owners. The output of Hunter 2 is delivered into PacifiCorp's 345 kV transmission system for transmission throughout its service area, including the Issuer. Hunter 2 ~~will receive~~underwent a major overhaul in the spring of 2023 that ~~will improve~~improved its efficiency and ~~extend~~extended its useful life.

Under the Ownership and Management Agreement, PacifiCorp has agreed, subject to the occurrence of certain uncontrollable forces, to supply sufficient quantities of coal and water to permit operation of Hunter 2 at an average plant factor of 65%. The output of Hunter 2 is delivered into PacifiCorp's transmission system and is delivered to the participating members of UAMPS pursuant to the provisions of a Transmission Service and Operating Agreement between UAMPS and PacifiCorp.

Under its Hunter Project Power Sales Contract with UAMPS, the Issuer is entitled receive 5.82% of the output from UAMPS' 14.582% ownership interest in Hunter 2, representing approximately 3.67 MW of capacity. The Issuer is required to pay a percentage of all of UAMPS' operating, fuel, debt service, administrative and other costs of Hunter 2; such costs are billed monthly. Payments by the Issuer are made on a "take or pay" basis, regardless of whether or not Hunter 2 is operating, damaged or destroyed. A failure by a participating member of UAMPS to make payments required under its Power Sales Contract could result in increased billings to the non-defaulting participants.

The Issuer has agreed in its Hunter Project Power Sales Contract that it will charge and collect rates and charges for the electric service it provides to provide sufficient revenues to meet timely its payment obligations under its Hunter Project Power Sales Contract and to pay timely all other amounts constituting a charge on its electric revenues.

The term of the Hunter Project Power Sales Contract extends to the later of (1) the date that all of UAMPS' Hunter Project Revenue Bonds have been paid or retired, or (2) the date on which Hunter 2 is finally and definitely taken out of service or Hunter 2 is otherwise disposed of.

UAMPS Pool. UAMPS has entered into power pooling agreements (the "Pooling Agreements") with certain of its members (including the Issuer) and certain other governmental bodies (the "Pool Participants") pursuant to which UAMPS acts as each Pool Participant's agent for the purpose of: (a) the economic and efficient scheduling and dispatch of power and energy; (b) the purchase of any power and energy required to meet such Pool Participant's electric system loads or to provide reserves for such loads; (c) the sale of any power and energy available to a Pool Participant which is deemed surplus to meet its electric system loads; (d) the utilization of transmission rights and the provision of transmission services to effect power and energy deliveries to, and sales by, each Pool Participant; (e) the administration of payments and receipts with respect to each Pool Participant's purchase and sale of power and energy and transmission services; and (f) the conducting of power supply and transmission studies and the development of programs for the acquisition or construction of power and transmission resources.

The Issuer participates in the UAMPS Pool for planned and unplanned transactions. The Pooling Agreement requires the Issuer to pay the costs of the pool based on (a) direct costs of planned transactions, (b) the hourly costs of energy and associated transmission supplied on unplanned transactions and (c) the administrative costs of the pool.

IPP. The Intermountain Power Agency (IPA) is a political subdivision of the State of Utah and was organized in 1977 by 23 Utah Members under the Interlocal Act. The Intermountain Power Project (IPP) is ~~currently in operation and includes transitioning from operating~~ a two-unit, coal-fired, steam-electric generation station, having a net capability of 1,800 MW ~~to operating an 800 MW natural gas fired generating station~~, together with associated transmission lines and converter stations. The generation station is located near Lynndyl, Utah, approximately 100 miles southwest of Salt Lake City. As a portion of IPP, IPA has constructed transmission facilities to certain points of delivery to serve its participants, consisting of a northern and southern system. The northern transmission system includes two 345 kV alternating current lines connecting the generation station with the PacifiCorp transmission system near Mona, Utah, and a 230-kV alternating current line connecting the generation station and the Gonder Substation near Ely, Nevada. IPA and PacifiCorp have interconnected the 345 kV lines with the PacifiCorp system. The California Purchasers (defined below) in IPP utilize a direct current southern transmission system to transmit their entitlements in IPP and pay the costs associated with such system.

The purchasers of electric power and energy supplied by IPP are 36 utilities (the “Purchasers”) consisting of: the Department of Water and Power of the City of Los Angeles (the “Department”) and the California cities of Anaheim, Riverside, Burbank, Glendale and Pasadena (collectively, the “California Purchasers”); PacifiCorp; 23 Utah municipalities including the Issuer (collectively, the “Utah Purchasers”); and six rural electric cooperatives which provide electric service in Utah, Arizona, Colorado, Nevada and Wyoming (collectively, the “Cooperative Purchasers”).

Under the terms of its original contract with IPA the Issuer is entitled to 0.627% of the total net generation capacity of IPP available to the Purchasers. However, under the subsequent excess power sales agreement, the Issuer has a bilateral agreement with certain California Purchasers for the duration of the IPP project unless the Issuer recalls any or all of the entitlement. In recent years, the Issuer has reclaimed some of its entitlement from the California Purchasers.

Recent Developments. ~~For several years IPA has been in discussions with the Department and the other Purchasers with respect to the possibility of the~~ The repowering of the IPP to be fueled by natural gas ~~will be completed by the end of 2025~~ before the termination of the IPA Power Sales Contracts on June 15, 2027. IPA and the Purchasers have executed Second Amendatory Power Sales Contracts, which provide that the IPP be repowered to natural gas and that IPA offer the Purchasers renewal in their generation and associated entitlements through Renewal Power Sales Contracts, the term of which commences upon the termination of the current Power Sales Contracts on June 15, 2027. The Renewal Power Sales Contract became effective on January 17, 2017, when 100% of the entitlements were accepted.

Jordanelle. The Jordanelle Hydroelectric Generating Project is a 13 MW hydroelectric generating plant located at the Jordanelle Dam near Heber City, Utah. Jordanelle was created with a 40-year Lease of Power Privilege (the “Lease”) between the United States of America, the Central Utah Water Conservancy District (CUWCD) and the Issuer. The Lease provides for CUWCD to finance, construct, own and operate Jordanelle and, for the Issuer to purchase and market the available electric power produced.

On July 1, 2008, Jordanelle began commercial production. Under a Power Sales Contract with CUWCD, the Issuer purchases 100% of the power produced. The Issuer has sold two-thirds of the output to the cities of St. George, Utah and Lehi, Utah on an equal basis. ~~In 2033, the Power Sales Contracts with St George and Lehi will expire, and the Issuer will retain all energy generated by the Jordanelle.~~

Patua. The Issuer has entered into a power purchase agreement as part of the UAMPS firm power project for power from the Patua geothermal facility near Fallon, Nevada.

Pleasant Valley. The Issuer has also entered into a Firm Power Supply Agreement with UAMPS to purchase power from the Pleasant Valley Wind Power Project, located in southwest Wyoming.

Horse Butte. The Issuer has also entered into a Power Sale Contract with UAMPS to purchase power from its Horse Butte Wind Project, a 57.6 MW wind-powered electric generating facility located in Bonneville County, Idaho.

Red Mesa. Through UAMPS' Firm Power Project, the Issuer has a power purchase agreement for energy from the Red Mesa Tapaha Solar Project, a 66 MW solar photovoltaic generation facility to be located within the boundaries of the Navajo Nation in Utah. Red Mesa is expected to go into operation in June 2023.

Steel One. Through UAMPS' Firm Power Project, the Issuer has a power purchase agreement for energy from the Steel Solar 1A Solar Project, a 40 MW solar photovoltaic generation facility to be located within the boundaries of Box Elder County in Utah. Steel One is expected to go into operation in October 2023.

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Millard County (a/k/a McCormick Natural Gas). Through UAMPS' Millard County Project, the Issuer is participating in a natural gas project currently in the development phase. A 200 MW natural gas fired reciprocating internal combustion engine peaking power plant in Millard County, Utah is expected to be online by 2029. The Issuer's participation level is 8.69 MW.

Power County. Through UAMPS' Power County Gas Project, the Issuer is participating in a natural gas project currently in the development phase. A 360 MW natural gas fired 1x1 frame-style combined cycle plant in Power County Idaho is expected to be online by 2031. The Issuer's participation level is 16.40 MW.

CERTAIN FACTORS AFFECTING THE ELECTRIC UTILITY INDUSTRY

Under review for updates.

General

The U.S. electric utility industry ishas been, and in the future may be, affected by a periodnumber of significant change and is facing a range of challenges and uncertainties that are and will continue toactions which could impact the financial condition of any public electric power utility such as the Issuer. Such factors include, among others: (i) effects of inflation on the operation and maintenance costs of an electric utility and its facilities or other increases in costs, (ii) changes from projected future load requirements and operating position of investor-owned, cooperative relative costs and municipal electric utilities, including the Issuer. The information that follows was obtained from sources believed to be reliable. The Issuer makes no representation as to the accuracy or completeness of this information. In addition to the factors discussed in the following sections, factors affecting the industry include the following:

State availability of different fuels, (iii) effects of compliance with rapidly changing environmental, safety, licensing, regulatory and any federal legislation regulating greenhouse gas emissions;

legislative requirements, (iv) changes resulting from conservation and demand-side management programs on the timing and use of electric energy;

the development and impact of alternate energy sources;

, (v) changes resulting that might result from a national energy policy;

and a renewable energy portfolio or other federal or state legislative changes, (vi) effects of competition from other electric utilities-suppliers of electricity (including increased competition resulting from mergers, acquisitions, and "strategic alliances" of competing electric (and natural gas) utilities and from competitors transmitting less expensive electricity from much greater distances over an interconnected system) and new methods of, and new facilities for, producing low-cost electricity;

, (vii) increased competition from independent power producers and marketers, and brokers and federal power marketing agencies;

, (viii) "self-generation" or "distributed generation" (such as rooftop solar, microturbines and fuel cells, and solar installations) by certain industrial and commercial consumers and others;

customers, (ix) inadequate risk management procedures and practices with respect to, among other things, the purchase and sale of energy and transmission capacity, (x) effects of possible manipulation of electric markets, (xi) effects on the integration and reliability of the power supply from the increased usage of renewables, (xii) potential repeal of certain federal statutes that would have the effect of increasing the competitiveness of many utilities, (xiii) financial difficulties, including bankruptcy, of fuel suppliers and/or renewable energy suppliers, (xiv) changes in systems, including systems that would provide certain customers with the ability to generate their own electrical power and reduce or eliminate their dependency on power provided by the Issuer, as well as existing customer load growth from battery installations and electric vehicle charging;

~~volatility~~the electric market structure for neighboring electric grids, (xv) sudden and dramatic increases in the price of energy purchased on the ~~wholesale~~open market that may occur in times of high peak demand; in an area of the country experiencing such high peak demand, (xvi) effects of changes in the economy, population and demand of customers in the service areas of the Issuer, (xvii) pandemics, (xviii) acts of terrorism or cyberterrorism, (xix) natural disasters or other physical calamities, including but not limited to, rising water levels, floods, drought, winter storms, and wildfires, and potential liabilities of electric utilities in connection therewith, (xx) changes in revenues due to unseasonable changes in the weather, and (xxi) adverse impacts to the market for insurance relating to natural disasters or other physical calamities, leading to higher costs or prohibitively expensive coverage, or limited or unavailability of coverage for certain types of risk. Public power utilities also are affected by factors related to their ability to issue tax-exempt obligations and restrictions on the ability to sell, to non-governmental entities, power and energy from generation projects that are financed with outstanding, tax-exempt debt. The Issuer also could be adversely affected by technological or market developments that change the relative costs of the electric power and energy that the Issuer provides to its customers in comparison with the costs of electric power and energy available in the region.

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~~unavailability of or substantial volatility in the cost of coal or natural gas used as fuel for generation facilities;~~

~~availability and sufficiency of transmission capacity, particularly during times of high demand; and~~

~~local, regional and national economic conditions.~~

~~It is not possible to~~The Issuer cannot predict what ~~impact~~effects these factors will have on ~~the~~its business, operations and financial and operating position of condition. Information on the System.

Electric Industry Restructuring

~~The U.S. electric utility industry is facing an increasingly competitive environment, particularly available from legislative and regulatory bodies and other sources in the public domain.~~

Federal Regulation of Transmission

~~Fundamental changes in wholesale~~the federal regulation of the electric generation and industrial customer markets.

~~Transmission Regulation. The National utility industry were made by the~~ Energy Policy Act of 1992 (the "Energy Policy Act") included provisions that promoted, particularly in the area of transmission access. The purpose of these changes, in part, was to bring about increased competition in ~~wholesale~~the electric markets by, among other things, easing restrictions on ~~wholesale~~utility industry. The Energy Policy Act authorized FERC – upon application by an electric utility, federal power producers and by allowing the Federal Energy Regulatory Commission ("FERC")marketing agency, or other power generator – to order transmission access for wholesale buyers and sellers of electricity over transmission systems owned by "require a transmitting utility to provide transmission services to the applicant on a cost-of-service basis. Municipally owned electric utilities." are "transmitting utilities" for this purpose.

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In 1996, FERC issued its Order 888, which requires jurisdictional utilities to file wholesale transmission tariffs providing pricing and terms for transmission access for wholesale purposes. FERC Order 888 also requires non-jurisdictional utilities (including municipal and consumer-owned utilities) that purchase transmission services from a jurisdictional utility to provide, in turn, non-discriminatory, open access transmission services back to the jurisdictional utility upon terms and conditions that are comparable to the transmission service that they provide to themselves. FERC Order 889 (a) imposes certain standards of conduct intended to restrict transmission-owning utilities from using those facilities to obtain an unfair competitive advantage in power sales transactions and (b) requires utilities to post information electronically regarding the availability and pricing of their transmission services. OrderIn 1996, FERC issued two rules on transmission access. Order No. 888 required all FERC jurisdictional utilities to provide transmission service on a non-discriminatory basis. As part of Order No. 888, FERC established a pro

forma Open Access Transmission Tariff. Order No. 889 established rules of conduct for open-access providers, including a requirement to separate operationally power sales from transmission. Also in 1999, FERC issued Order No. 2000, encouraging the voluntary creation of Regional Transmission Organizations (RTOs) to manage the regional grid and meet the requirements of open access. At present, there is no RTO in the Western United States, except for California.

Order No. 1000, issued by FERC in 2011, requires public utility transmission providers to improve transmission planning processes and allocate costs for new transmission facilities to beneficiaries of those facilities, and requires public utility transmission providers to align transmission planning and cost allocation in order to remove barriers to development of transmission facilities. FERC is currently considering

In 2024, FERC issued Order Nos. 1920 and 1920-A, bringing major reforms to regional transmission planning, requiring long-term planning horizons, the development of planning scenarios, and improved cost allocation methodologies to meet future electricity demand.

These orders show a progression from establishing access and open markets (Order Nos. 888/889) to creating organizational structures (Order No. 2000) and then to more detailed reforms in long-term planning, cost allocation, and siting processes (Order Nos. 890, 1000, 1920 and 1920-A).

FERC continues to consider additional reforms to regional transmission planning processes and transmission cost allocation aimed at alleviating challenges to the transition grid posed by a changing generation resource mix ~~in~~ FERC Docket No. RM21-17. Municipally-owned electric utilities are not subject to FERC jurisdiction under these orders but may be denied transmission service by a FERC-jurisdictional utility if they do not offer comparable transmission services.

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The Energy Policy Act does not permit the FERC to order transmission access for purchases or sales of electricity at retail (commonly known as “retail wheeling”). However, various bills have been introduced in prior sessions of Congress that would require existing utilities to allow competitors to use their transmission and distribution facilities to provide electric service to retail customers of the existing utilities. Various states have implemented or are considering legislative or regulatory proposals that would also allow such use of utility property by competitors to serve the retail customers of the existing utilities.

The Amended and Restated Transmission Service and Operating Agreement, as amended and supplemented (the “ARTSOA”), between UAMPS and PacifiCorp, is utilized by UAMPS to transmit most of its power supply resources, including the power resources that the Issuer receives from UAMPS. Under the ARTSOA, PacifiCorp has agreed to provide firm transmission service to UAMPS from various points of receipt to certain points of delivery, as scheduled by UAMPS. The ARTSOA is a network transmission agreement and provides for the wheeling by PacifiCorp of power and energy from resources specified by UAMPS to UAMPS’ members, including the Issuer, at specified rates set forth in the ARTSOA. The current ARTSOA was entered into by UAMPS and PacifiCorp in September 2019, and is the fifth such agreement between the parties dating back to 1992. The ARTSOA provides that it will remain in full force and effect so long as UAMPS is interconnected with PacifiCorp’s system as set forth in the ARTSOA. The ARTSOA can be suspended or terminated only if both parties agree to implement a new agreement.

Energy Policy Act of 2005. On August 8, 2005, the Energy Policy Act of 2005 (the “2005 Energy Policy Act”) was signed into law. The 2005 Energy Policy Act provides incentives for traditional energy production as well as newer, more efficient energy technologies, and conservation. The 2005 Energy Policy Act provides for, among other things: (1) the repeal of the Public Utility Holding Company Act (“PUHCA”), although some responsibilities under PUHCA are transferred to FERC and the state regulatory commission; (2) a grant to FERC of authority to site transmission facilities if states are unwilling or unable to approve siting; (3) a directive to FERC to permit incentive rate policies as a means to encourage transmission expansion; (4) revisions to the Public Utility Regulatory Policies Act; (5) the establishment of service obligation protections for native load customers of utilities in certain areas of the country; (6) the creation of limited FERC jurisdiction over interstate transmission assets of municipal utilities, cooperatives and federal utilities, to permit FERC to order those entities to provide transmission services on rates and terms comparable to those that the entities charge and provide to themselves; (7) the establishment of mandatory electric reliability rules for all market participants and the creation of a self-regulatory reliability organization, subject

to oversight by FERC; and (8) the provision of certain tax incentives to encourage expansion of transmission facilities and improvement of environmental standards.

In 2007, FERC issued its Order 890 to address and remedy opportunities for undue discrimination under the pro forma transmission tariff adopted in Order 888. Order 890 was designed to: (1) strengthen the pro forma open access transmission tariff, or OATT, to ensure that it achieves its original purpose of remedying undue discrimination; (2) provide greater specificity to reduce opportunities for undue discrimination and facilitate FERC's enforcement; and (3) increase transparency in the rules applicable to planning and use of the transmission system. In that order, FERC declined to adopt a generic rule to implement the provision of the 2005 Energy Policy Act granting FERC limited jurisdiction over interstate transmission assets of municipal utilities. Instead, the order retained Order 888's requirement that a municipal utility that owns, controls, or operates transmission and seeks transmission service from a public utility must satisfy its reciprocity obligation under a bilateral agreement, seek a waiver of the tariff reciprocity condition from the public utility, or file a safe harbor tariff with FERC. For municipal utilities that choose to use the safe harbor tariff, its provisions must be substantially conforming or superior to the pro forma tariff as revised by Order 890.

Mandatory Reliability Standards. As mentioned above, the 2005 Energy Policy Act authorized the establishment of mandatory electric reliability rules applicable to all users, owners and operators of the bulk power system within the United States (other than Alaska or Hawaii) — including municipal utilities — and the creation of a self-regulatory reliability organization, subject to oversight by FERC. On July 20, 2006, FERC approved the North American Electric Reliability Corporation (“NERC”) as the Electric Reliability Organization under Section 215 of the Federal Power Act (the “FPA”). NERC has developed approximately 95 Reliability Standards, approved by FERC, that currently are mandatory and enforceable. Reliability Standard violators may be subject to financial penalties. NERC continues to develop additional standards.

MJMEUC currently owns several transmission facilities (see “MISSOURI JOINT MUNICIPAL ELECTRIC UTILITY COMMISSION – Transmission” herein) and certain of its Members own facilities which are currently classified as transmission facilities. Such transmission-owning Members and MJMEUC are subject to FERC rules described above.

Energy Policy Act of 2005

The Energy Policy Act of 2005 (the “2005 Energy Policy Act”) addressed a wide array of energy matters that could affect the entire electric utility industry, including MJMEUC and its Members. Among other things, the 2005 Energy Policy Act: (a) authorizes FERC to require non-FERC jurisdictional utilities to provide open access to their transmission systems and to comply with certain rate change provisions of the FPA; (b) authorizes FERC to order refunds for certain short-term, wholesale sales by state and municipal power entities if such sales violate FERC-approved tariffs or FERC rules; (c) allows load-serving entities that hold certain firm transmission rights to continue to use those rights to serve their customers; (d) provides for the establishment of a national electric reliability organization to develop and enforce, subject to FERC's oversight, mandatory reliability standards for operation of the transmission grid; (e) prohibits market manipulation and submission of false information; (f) gives FERC certain authority to issue construction permits for transmission projects that are to be located in “national interest electric transmission corridors” to be designated by the Department of Energy, as subsequently clarified by the Infrastructure Investment and Jobs Act; (g) eliminates certain ownership restrictions on qualifying cogeneration and small power production facilities under the Public Utility Regulatory Policies Act and authorizes FERC to eliminate prospectively utilities' obligation to purchase from these qualifying facilities under certain circumstances; (h) requires state utility regulatory commissions and “non regulated electric utilities” to consider adopting certain standards on net metering, fuel diversity, fossil fuel plant diversity, certain metering and time-based rate schedules and demand response, and interconnection with distributed generation facilities; (i) replaces regulation of utility holding companies under the Public Utility Holding Company Act of 1935 with more limited oversight of such companies; (j) increases FERC's authority to review mergers of public utility companies; and (k) directs FERC to establish, for transmission companies whose rates are regulated by FERC, rate incentives to invest in transmission.

Pursuant to the 2005 Energy Policy Act, certain reliability standards that have been promulgated by the North American Electric Reliability Corporation (“NERC”) and adopted by FERC apply to municipally owned electric utilities. In March 2007, FERC issued Order No. 693 entitled “Mandatory Reliability Standards for the Bulk-Power

System” or “Reliability Standards Order.” In Order No. 743, following a series of related orders and filings from NERC, FERC revised its definition of bulk-electric system to establish a bright-line threshold that includes all facilities operated at or above 100-kV, remove regional entity discretion, and adopt specific facility inclusions or exclusions from the definition proposed by NERC. FERC has more recently issued a series of orders requiring that NERC implement new standards relating to cybersecurity and risks associated with the supply chain for the bulk-electric system. In Order No. 848, FERC directed NERC to promulgate a new rule requiring users to report incidents that both compromise or attempt to compromise the bulk-electric system. FERC followed this up with Order No. 850 in which it approved supply chain risk management reliability standards submitted by NERC. The Order No. 850 standards included requirements that covered entities develop plans to address cybersecurity risks from vendor supplied products and services, vendor remote access sessions, and the integrity of software and patches. In Order No. 851, FERC approved enhanced requirements related to geomagnetic disturbances. In August 2021, FERC approved cold weather reliability standards that require generators to implement plans to prepare for cold weather and exchange certain generator cold weather operating parameters. FERC Order No. 901, issued in 2023, directed NERC to develop new or modified reliability standards to address gaps related to inverter-based resources (“IBRs”) such as solar and wind energy.

NERC continues to propose and implement reliability rules and requirements to support reliability. The Issuer cannot predict whether these new reliability requirements will impact adversely its operations.

Climate Change and Possible Future Climate Change Legislation

General. From time to time various bills are introduced in Congress and in state legislatures and regulations are proposed by various agencies (both federal and state) that could, if enacted into law, impact the regulation of the electric industry.

At the federal level, the former Biden Administration was focused on mitigating the effects of climate change as demonstrated through a variety of executive orders, the U.S. rejoining the Paris Climate Accords and the announcement of a “whole government” approach to climate change efforts. In addition, on April 30, 2024, the Group of Seven nations, an intergovernmental political and economic forum consisting of the United States, Canada, France, Germany, Italy, Japan, and the United Kingdom, announced an agreement to end the use of unabated coal plants, or coal plants which have not been fitted with carbon capture technologies, by 2035 (the “G7 Carbon Capture Agreement”).

On January 20, 2025, President Donald Trump was sworn into office for his second term. President Trump immediately declared an “energy emergency” and signed a number of executive orders affecting the nation’s energy infrastructure and independence. Executive orders included a focus on domestic fossil fuel growth, the reversal of various climate policies and clean energy incentives advanced by the former Biden administration, the United States’ withdrawal from the Paris Climate Agreement, and substantial tariffs on key United States’ trading partners. In May 2025, the United States Department of Energy announced it was cancelling \$3.7 billion in funding for carbon capture and other emissions-reduction technologies. See the discussion of the cancellation of the federal loan guarantee for the Grain Belt Express under the caption “POOL POWER PURCHASERS - Missouri Public Energy Pool #1 - MoPEP Power Supply Resources - Power Purchase Contracts.” It is unknown at this time what additional actions the Trump Administration will take, if any, and the impact they will have on the implementation of laws and regulations that are currently in place, including the United States’ participation in the G7 Carbon Capture Agreement. Certain of these executive actions may face legal challenge, and the Issuer cannot predict whether these challenges will be successful or if the executive orders are sustained, the manner in which they will be implemented.

The Issuer cannot predict at this time whether any laws or regulations will be repealed or amended, or whether any additional legislation or rules will be enacted at the state or federal level that will affect its operations, and if such laws are enacted, what the impact of such actions to the Issuer might be in the future.

EPA Regulations. This section provides a brief summary of certain actions taken or under consideration regarding the regulation and control of greenhouse gases (“GHGs”), including CO₂, that have the potential to impact certain MJMEUC-owned assets including the Marshall Energy Center.

Limitations on emissions of GHGs, including CO2, create significant exposure for electric fossil-fuel-fired generation facilities. The United States Environmental Protection Agency (the “EPA”) issued final rules regulating CO2 emissions from various classes of electric generating units (“EGUs”) in October 2015, known as the Clean Power Plan (the “CPP”), which was replaced in 2019 by the Affordable Clean Energy (“ACE”) rule, which was in turn replaced with final Carbon Pollution Standards issued by the EPA in 2024. These rules implemented new rules for GHG emissions including carbon sequestration, emission guidelines for existing fossil-fuel generating units, new source performance standards for fossil fuel-fired stationary combustion turbines, as well as revisions to the performance standards for new or modified fossil fuel combustion turbines. The 2024 EPA pollution standards included longer compliance time frames or delayed closure if there were unforeseen delays, like supply chain difficulties, and detailed reporting to address concerns about the electric grid’s reliability.

On February 4, 2025, EPA Administrator Lee Zeldin announced the Agency’s Powering the Great American Comeback Initiative, which outlined the Agency’s priorities under the leadership of President Trump to restore American energy dominance by removing undue burdens on coal-fired EGUs while accomplishing the Agency’s core mission of protecting human health and the environment. In June 2025, the EPA announced a proposal to repeal the many of these 2024 standards, which are discussed further below. If these repeals are finalized, it would have a positive impact on coal-fired generation units and extend the useful lives of those generation assets.

The Issuer continually reviews all new rules and proposed regulations and will continue to comment with concerns and plan accordingly for any revised guidelines.

National Ambient Air Quality Standards.

The Clean Air Act requires that the EPA establish National Ambient Air Quality Standards (“NAAQS”) for certain air pollutants. When a NAAQS has been established, each state must identify areas in its state that do not meet the EPA standard (known as “non-attainment areas”) and develop regulatory measures in its state implementation plan to reduce or control the emissions of that air pollutant to meet the applicable standard and become an “attainment area.” The EPA periodically reviews the NAAQS for various air pollutants. The most recent rule on NAAQS was issued by the EPA on February 7, 2024, and lowered the primary annual standards for fine particulate matter but not the secondary standards. These periodic reviews by the EPA may result in more stringent permitting processes for new sources of emissions and additional state restrictions on existing sources of emissions, such as power plants, in the future.

However, on June 11, 2025, under EPA’s initiative to Powering the Great American Comeback Initiative, the EPA proposed to repeal GHG emissions standards for fossil fuel-fired power plants (both coal and natural gas) promulgated under Section 111 of the Clean Air Act in an effort to remove unnecessary burdens on fossil fuel-fired EGUs. Those reforms, if finalized, would have a positive impact on coal and natural gas-fired generation units and extend the useful lives of these generation assets.

Mercury and Air Toxics Standards Rule.

The Clean Air Act provides for a comprehensive program for the control of hazardous air pollutants (“HAPs”), including mercury. On February 16, 2012, EPA finalized a rule called the Mercury and Air Toxics Standards (“MATS”) to reduce emissions of toxic air pollutants, including mercury, from coal and oil-fired electric generating units, and subsequently amended the rule in 2013 and 2014. The MATS rule set technology-based emission limitation standards for mercury and other toxic air pollutants, based upon reductions available through “maximum achievable control technology” at coal and oil-fired electric generating units. On April 3, 2023, the EPA proposed an update to the MATS rule to reflect recent developments in control technologies and the performance of these plants. On May 7, 2024, the EPA issued a new final rule for MATS as applied to coal- and oil-fired power plants (the “2024 MATS Rule”). Under the 2024 MATS Rule, the emission of non-mercury HAP metals from existing coal-fired power plants will be reduced by approximately 67% and emission limits for mercury for existing lignite-fired power plants will also be reduced by 70%. The 2024 MATS Rule required the use of continuous emissions monitoring systems to comply with the filterable particulate matter standard, and it removed the extended startup period exemption.

In June 2025, the EPA announced a proposal to repeal the 2024 MATS Rule, reverting the requirements back to the more lenient 2012 standards. The EPA argues that the 2024 standards did not provide meaningful health benefits

and were overly burdensome, potentially saving up to \$1 billion in regulatory costs over a decade. Those reforms, if finalized, would have a positive impact on coal and natural gas-fired generation units and extend the useful lives of these generation assets.

Internal Combustion Maximum Achievable Control Technology Rule.

In 2010, the EPA issued a final rule regulating hazardous air pollutant emissions from Compression Ignition Reciprocating Internal Combustion Engines (“CI-RICE”) larger than 100 braking horsepower, including formaldehyde. The rule provided differing mandatory requirements for engines based on total horsepower, with the most stringent controls, including the installation of catalytic converters, reserved for units over 500 horsepower. The rule allows cities to designate these units for “emergency only” operation, and generate energy with the units without any emission controls when power is interrupted from their regular supplier. [Impact on the Issuer?]

Utah Legislative Activities.

In 2008, the Utah Legislature adopted legislation implementing an optional renewable portfolio standard (“RPS”) for municipal electric utilities and electrical corporations. It set the Utah RPS at 20% by 2025, but only if it was cost-effective for a municipal or cooperative utility. It is anticipated that legislation increasing the RPS to 50% by 2030 will be introduced, and that it will allow all zero-carbon resources to be eligible.

It is not possible to predict whether future legislation will be enacted by Congress or the Utah Legislature that would restructure the electric utility industry or what the substance and effect of any such legislation or future regulatory actions might be.

Environmental Matters

Electric utilities are subject to continuing environmental regulation. Federal, state and local standards and procedures which regulate the environmental impact of electric utilities are subject to change. These changes may arise from continuing legislative, as well as regulatory and judicial action regarding such standards and procedures. Consequently, there is no assurance that the System or its power resources will not become subject to significantly more stringent regulations than those currently in effect, will always be in compliance with future regulations, will always be able to obtain all required operating permits or will be able to avoid materially increased pollution control or response costs. An inability to comply with environmental standards could result in reduced operating levels or the complete shutdown of individual electric generating units not in compliance.

There is particular concern by the public, the scientific community and Congress regarding environmental damage resulting from the use of fossil fuels. There are a number of pending or recently enacted legislative proposals in Congress that may affect the electric utility industry. Increased environmental regulation has created and may create additional barriers to new facility development and modification of existing facilities. The additional costs, including time, human resources, uncertainty and delay, could increase the cost of electricity from affected resources.

Greenhouse Gas and Climate Change Issues. Limitations on emissions of greenhouse gases (“GHGs”), including CO₂, create significant exposure for electric fossil fuel fired generation facilities. The United States Environmental Protection Agency (the “EPA”) has taken steps to regulate greenhouse gas emissions under existing law.

On August 21, 2018, EPA issued a proposed rule entitled the Affordable Clean Energy rule (“ACE Rule”). Contrasted to replace the Clean Power Plan (“CPP”), which was established in 2015 to establish guidelines for states to use in developing plans to limit CO₂ emissions from existing fossil fuel fired electric generating units (“EGUs”). The ACE Rule provides that BSER for existing EGUs is based on heat rate improvement measures that provide states greater flexibility. The ACE Rule also proposes revisions to the New Source Review (“NSR”) program to work in conjunction with the proposed changes to Best System of Emissions Reduction (“BSER”) for existing EGUs. The ACE Rule did not revisit carbon pollution standards for new, modified, and reconstructed EGUs under Section 111(b) of the Clean Air Act. On July 19, 2019, EPA promulgated the final ACE Rule to replace the CPP, but in 2020 a coalition of 23 state attorneys general challenged the lawfulness of ACE and in January of 2021, the U.S. Court of

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~~Appeals for the District of Columbia Circuit vacated the ACE Rule. EPA has indicated that it will revisit options for regulating electric fossil-fuel fired generation sources.~~

~~There have been numerous judicial and legislative challenges to the EPA's efforts to regulate GHGs that may impact the regulatory status outlined above. The Issuer cannot predict the outcome of such challenges or the effects on the Issuer, the System, or its outside energy sources of current or subsequent rulemaking by the EPA with regard to GHGs.~~

~~Regional Haze~~

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The EPA's Regional Haze Rule requires emissions controls using best available retrofit technology ("BART") for industrial facilities emitting air pollutants that impair visibility in Class I areas (national parks and wilderness areas). Such pollutants include fine particulate matter ("PM2.5") and compounds that contribute to PM2.5, such as nitrogen oxides, sulfur dioxides, certain volatile organic compounds and ammonia.

While the Issuer reports that the System is operated to maintain compliance with federal and state environmental rules and regulations, the Issuer cannot predict at this time whether any additional legislation or rules will be enacted which will affect the operations of the Issuer, and if such laws or rules are enacted, what the costs to the Issuer might be in the future because of such action.

Gas and Electric Prices

The sources of electric power and natural gas are limited and their availability can be further restricted by a variety of factors, including production activities, political decisions and environmental factors. Their prices are affected by supply and demand. The supply and demand nature of the electric and gas markets causes those markets to fluctuate from time to time, sometimes quite significantly. The Issuer cannot predict what these markets will do in the future.

An increase in natural gas and electric power costs will increase the cost of gas and power to the Issuer, which costs are Operation and Maintenance Expenses of the System payable from Revenues prior to the payment of debt service on the Series 2026 Bonds. An increase in the cost of natural gas or power could negatively impact Net Revenues of the Issuer.

Technological Changes

The electric utility industry is subject to changes in technologies. Recent advances in electrical generation technologies may render electrical generation on a smaller scale more technically feasible and economically attractive. Such technologies would provide certain customers with the ability to generate their own electrical power and reduce or eliminate their dependency on power provided by the Issuer. The Issuer cannot predict the timing of the development or availability of such technologies and the ultimate impact they would have on the Revenues of the System.

OTHER INVESTMENT CONSIDERATIONS

Series 2026 Bonds are Limited Obligations

The Series 2026 Bonds are special limited obligations of the Issuer, payable solely from the Net Revenues, moneys, securities and funds pledged therefor in the Indenture. The Net Revenues consist of the revenues, fees and other income received by the Issuer from the operation of the System less Operation and Maintenance Costs. See "SECURITY FOR THE BONDS—Pledge of the Indenture" herein. Neither the faith and credit nor the taxing power of the State or any of its political subdivisions, including the Members, is pledged to the Series 2026 Bonds. The Issuer has no taxing power.

The Issuer will not mortgage or grant any security interest in the improvements financed with the proceeds of the Series 2026 Bonds or any portion thereof to secure payment of the Series 2026 Bonds.

Infectious Disease Outbreak

~~The financial and operating condition of the Issuer, including the Issuer's ability to collect Revenues, may be materially affected by a national or localized outbreak of an infectious disease, such as COVID-19, or other highly contagious or epidemic diseases (an "Outbreak"). Regardless of any policies or actions of the Issuer or the existence of governmental aid programs, there can be no assurances that an Outbreak will not materially affect the regional economy of the Issuer or the national or global economies and, accordingly, materially adversely affect the financial or operating condition of the Issuer, including the Issuer's collection of Revenues.~~

Climate Change and Natural Disasters

Climate change caused by human activities may have adverse effects on the System. As greenhouse gas emissions continue to accumulate in the atmosphere as a result of economic activity, climate change is expected to intensify, increasing the frequency, severity and timing of extreme weather events such as drought, wildfires, floods and heat waves, and rising sea levels. The Issuer has taken steps to mitigate the risk of wildfires by regular brush-clearing maintenance and, where possible, the use of growth inhibitors to reduce brush around System facilities. The Issuer has also recently adopted a procedure to clear cut and maintain areas of highest risk for wildfire damage.

The future fiscal impact of climate change on the System is difficult to predict, but it could be significant, and it could have a material adverse effect on the Issuer's finances by requiring greater expenditures to counteract the effects of climate change or by changing the business and activities of Issuer customers. The drought conditions currently being felt in the Western United States have impacted the Issuer in areas such as a curtailment of hydro-electric generation and increased insurance premiums for wildfire risk. The Issuer considers these impacts and other potential effects of climate change in its planning.

Cybersecurity

The risk of cyberattacks against enterprises, including those operated for a governmental purpose, has become more prevalent in recent years. -At least one of the rating agencies factors the risk of such an attack into its ratings analysis, recognizing that a cyberattack could affect liquidity, public policy and constituent confidence, and ultimately credit quality. -A cyberattack could cause the informational systems of the Issuer to be compromised and could limit operational capacity, for short or extended lengths of time and could bring about the release of sensitive and private information. -Additionally, other potential negative consequences include data loss or compromise, diversion of resources to prevent future incidences and reputational damage. -To date, the Issuer has not been the subject of a successful cyberattack. The Issuer believes it has made all reasonable efforts to ensure that any such attack is not successful and that the information systems of the Issuer are secure. -The Issuer conducts regular employee training and utilizes advanced filtering and threat detection/prevention tools to help protect against cyberattacks. Issuer also maintains insurance against such an event. The insurer regularly conducts pen tests and other verification processes to ensure adequate protection exists. However, there can be no assurance that a cyberattack will not occur in a manner resulting in damage to the Issuer's information systems or other challenges. ~~-The Issuer has insurance coverage for cyber liability.~~

Physical Security

Certain physical security concerns present a risk to the Issuer's facilities, such as sabotage, terrorist attacks and other crime. The Issuer has taken measures to ensure critical assets are protected. The Issuer has implemented and is in the process of implementing a number of security measures, including but not limited to, electronic access control, security lighting, restricted access areas, perimeter intrusion alarms, increased monitoring, fencing, signage, policies, procedures and employee training programs.

LEGAL MATTERS

General

All legal matters incident to the authorization and issuance of the Series 2026 Bonds are subject to the approval of Gilmore & Bell, P.C., Bond Counsel to the Issuer. The approving opinion of Bond Counsel will be delivered with the Series 2026 Bonds. The opinion of Bond Counsel will be in substantially the form set forth in “APPENDIX E” to this Official Statement. Certain matters will be passed upon for the Issuer by Gilmore & Bell, P.C., as disclosure counsel to the Issuer. Certain legal matters will be passed upon for the Issuer by Adam Long, Esq., General Counsel to the Issuer. Certain matters will be passed upon for the Underwriter by Farnsworth Johnson PLLC.

Absence of Litigation

A non-litigation letter executed by Adam Long, Esq., General Counsel to the Issuer, dated the date of original delivery of the Series 2026 Bonds, will be provided stating, among other things, that, to the best of his knowledge, after due inquiry, there are no legal or governmental proceedings (including any action, suit, proceeding, inquiry or litigation or investigation at law or in equity before or by any court, public board or body, or any governmental or administrative authority or agency) pending, threatened or contemplated (or any basis therefor), challenging the creation, organization or existence of the Issuer, or the titles of its officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the Series 2026 Bonds, or for the purpose of restraining or the source of payment for the Series 2026 Bonds or the imposition, levy or collection of the taxes included in the Revenues, or directly or indirectly contesting or affecting the proceedings or the authority by which the Series 2026 Bonds are issued or the validity of the Series 2026 Bonds or the issuance thereof.

TAX MATTERS

The following is a summary of the material federal and State income tax consequences of holding and disposing of the Series 2026 Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Series 2026 Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Series 2026 Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Series 2026 Bonds.

Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Issuer, under the law currently existing as of the issue date of the Series 2026 Bonds:

Federal Tax Exemption. The interest on the Series 2026 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes.

Alternative Minimum Tax. The interest on the Series 2026 Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

No Bank Qualification. The Series 2026 Bonds have not been designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

Bond Counsel’s opinions are provided as of the date of the original issue of the Series 2026 Bonds, subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended (the “Code”) that must be satisfied subsequent to the issuance of the Series 2026 Bonds in order that interest thereon be,

or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series 2026 Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2026 Bonds.

State of Utah Tax Exemption. The interest on the Series 2026 Bonds is exempt from State individual income taxes.

Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Series 2026 Bonds but has reviewed the discussion under this heading, “TAX MATTERS.”

Other Tax Consequences

Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Series 2026 Bond over its issue price. The stated redemption price at maturity of a Series 2026 Bond is the sum of all payments on the Series 2026 Bond other than “qualified stated interest” (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Series 2026 Bond is generally the first price at which a substantial amount of the Series 2026 Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Series 2026 Bond during any accrual period generally equals (1) the issue price of that Series 2026 Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Series 2026 Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Series 2026 Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner’s tax basis in that Series 2026 Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Series 2026 Bond over its stated redemption price at maturity. The stated redemption price at maturity of a Series 2026 Bond is the sum of all payments on the Series 2026 Bond other than “qualified stated interest” (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Series 2026 Bond is generally the first price at which a substantial amount of the Series 2026 Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the Series 2026 Bond using constant yield principles, based on the purchaser’s yield to maturity. As premium is amortized, the owner’s basis in the Series 2026 Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Series 2026 Bond prior to its maturity. Even though the owner’s basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.

Sale, Exchange, or Retirement of Series 2026 Bonds. Upon the sale, exchange, or retirement (including redemption) of a Series 2026 Bond, an owner of the Series 2026 Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property actually or constructively received on the sale, exchange, or retirement of the Series 2026 Bond (other than in respect of accrued and unpaid interest) and such owner’s adjusted tax basis in the Series 2026 Bond. To the extent a Series 2026 Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Series 2026 Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Series 2026 Bonds, and to the proceeds paid on the sale of the Series 2026 Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner’s federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Series 2026 Bonds should be aware that ownership of the Series 2026 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, certain applicable corporations subject to the corporate alternative minimum tax, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with “excess net passive income,” foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Series 2026 Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Series 2026 Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Series 2026 Bonds, including the possible application of state, local, foreign and other tax laws.

Bond Counsel notes that interest on the Series 2026 Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax.

BOND RATINGS

S&P Global Ratings (“S&P”) has assigned a municipal bond rating of [“___”] to the Series 2026 Bonds [with the understanding that upon delivery of the Series 2026 Bonds, the Policy guaranteeing the payment when due of the principal of and interest on the Series 2026 Bonds will be issued by the Insurer. See “BOND INSURANCE” above.]

Moody’s Investor’s Service (“Moody’s”) and Fitch Ratings and have assigned [underlying] ratings of [“___”] and [“___”] (outlook ____), respectively, to the Series 2026 Bonds.

Such ratings assigned to the Series 2026 Bonds do not constitute a recommendation by the rating agency assigning such rating to buy, sell or hold the Series 2026 Bonds. Such rating reflects only the view of such organization and any desired explanation of the significance of such rating should be obtained from that rating agency. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies, and assumptions of its own.

Any explanation of the significance of these ratings may only be obtained from the rating service furnishing the same. There is no assurance that the ratings given outstanding obligations will be maintained for any period of time or that the ratings may not be lowered or withdrawn entirely by the rating agency if, in its judgment, circumstances so warrant. Any such downward change or withdrawal of such ratings may have an adverse effect on the market price of the Series 2026 Bonds.

CONTINUING DISCLOSURE

The Issuer will enter into an undertaking (a “Disclosure Undertaking”) for the benefit of the Beneficial Owners to provide certain financial information and operating data (the “Annual Report”) and to provide notices of the occurrence of certain enumerated events (the “Listed Events”). The Issuer will undertake to provide its Annual Report to the Municipal Securities Rulemaking Board (the “MSRB”) through its Electronic Municipal Market Access system (“EMMA”). Notices of Listed Events will be filed with MSRB through EMMA. The specific nature of the information to be included in the Annual Report and the notices of Listed Events is set forth in APPENDIX D. This undertaking will be entered into in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the “Rule”).

The Issuer reports that [_____].

A failure by the Issuer to comply with the Disclosure Undertaking will not constitute a default under the Indenture and the Beneficial Owners of the Series 2026 Bonds are limited to the remedies provided in the Disclosure Undertaking. A failure by the Issuer to comply with the Disclosure Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the

purchase or sale of the Series 2026 Bonds in the secondary market. Any such failure may adversely affect the marketability of the Series 2026 Bonds.

UNDERWRITING

The Series 2026 Bonds are being purchased by Stifel, Nicolaus & Company, Incorporated (the “Underwriter”), pursuant to a Bond Purchase Contract between the Issuer and the Underwriter (the “Purchase Contract”). The Purchase Contract provides that the Underwriter will purchase all of the Series 2026 Bonds, if any are purchased, at a purchase price of \$[] (representing the aggregate principal amount of the Series 2026 Bonds plus [net] original issue premium of \$[] and less an Underwriter’s discount of \$[]).

The obligation of the Underwriter to purchase the Series 2026 Bonds is subject to a number of terms and conditions set forth in the Purchase Contract between the Issuer and the Underwriter. The Underwriter has advised the Issuer that it intends to make a public offering of the Series 2026 Bonds at the yields and prices set forth on the inside cover page hereof. Such yields and prices may be changed from time to time by the Underwriter. The Underwriter may offer and sell Series 2026 Bonds to certain dealers (including dealers depositing bonds into investment trusts) and others at prices lower than the offering yields and prices stated on the inside cover page hereof. Although the Underwriter expects to maintain a secondary market in the Series 2026 Bonds after the initial offering, no assurance can be made that such a market will develop or be maintained by the Underwriter or others.

MISCELLANEOUS

Independent Auditors

The general purpose financial statements of the Issuer at and for the fiscal years ended December 31, 2024 and 2023, contained in APPENDIX A to this Official Statement, have been audited by Squire & Company, PC (“Squire”), independent auditors. Squire has not been asked to consent to the use of its name and audited financial statements in this Official Statement.

Municipal Advisor

The Issuer has engaged LRB Public Finance Advisors, Inc., Salt Lake City, Utah (the “Municipal Advisor”), to provide financial recommendations and guidance to the Issuer with respect to preparation for sale of the Series 2026 Bonds, timing of sale, tax-exempt bond market conditions, costs of issuance and other factors relating to the sale of the Series 2026 Bonds. The Municipal Advisor has read and participated in the drafting of certain portions of this Official Statement. The Municipal Advisor has not audited, authenticated or otherwise verified the information set forth in the Official Statement, or any other related information available to the Issuer, with respect to accuracy and completeness of disclosure of such information, and no guaranty, warranty or other representation is made by the Municipal Advisor respecting accuracy and completeness of the Official Statement or any other matters related to the Official Statement. Municipal Advisor fees are contingent upon the sale and delivery of the Series 2026 Bonds.

Additional Information

The Issuer has furnished all information in this Official Statement relating to the Issuer. Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates herein will be realized.

All quotations contained herein from and summaries and explanations of the Utah Constitution, statutes, programs, laws of the State, court decisions, and the Indenture do not purport to be complete, and reference is made to said Constitution, statutes, programs, laws, court decisions and the Indenture for full and complete statements of their respective provisions.

This Preliminary Official Statement is in a form “deemed final” by the Issuer for purposes of Rule 15(c)(2)-12 of the Securities and Exchange Commission.

The appendices attached hereto are an integral part of this Official Statement and should be used in conjunction with the foregoing material.

This Official Statement has been duly approved, executed and delivered by the Issuer.

HEBER LIGHT & POWER COMPANY

APPENDIX A

**HEBER LIGHT & POWER COMPANY
AUDITED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 2024 AND 2023**

APPENDIX B

EXTRACTS OF CERTAIN PROVISIONS OF THE INDENTURE

The following excerpts briefly outline certain provisions contained in the General Indenture and are not to be considered as a full statement thereof. Reference is made to the General Indenture and the Sixth Supplemental Indenture for full details of the terms of the Series 2026 Bonds, the security provisions appertaining thereof, and the application of the Revenues, and the definition of any terms used but not defined in this Official Statement

Definitions

Set out below are certain definitions contained in the Indenture and used elsewhere in this Official Statement.

“Accreted Amount” means, with respect to Capital Appreciation Bonds of any Series and as of the date of calculation, the amount established pursuant to the Supplemental Indenture authorizing such Capital Appreciation Bonds as the amount representing the initial public offering price, plus the accumulated and compounded interest on such Bonds.

“Additional Bonds” means any Bonds issued after the first Series of Bonds issued under the Indenture. “Adjusted Net Revenues” means, for purposes of the issuance of Additional Bonds under the Indenture, the

Net Revenues for the Fiscal Year or Year selected by the Company adjusted to reflect additional Revenues attributable to (1) any rate increases adopted by the Company that took effect during or subsequent to such Fiscal Year or Year and (2) any additional customers connected to the System during or subsequent to such Fiscal Year or Year.

“Aggregate Debt Service” means, as of any date of calculation and with respect to any period, the sum of the amounts of Debt Service for all Series of Bonds Outstanding.

“Annual Budget” means the annual budget for the Company for each Fiscal Year.

“Balloon Bonds” means Bonds, other than Bonds which mature within one year of the date of issuance thereof, 25% or more of the Principal Installments on which (a) are due or, (b) at the option of the Holder thereof may be redeemed, during any period of a Year.

“Bond Anticipation Notes” means Bonds issued by the Company in advance of the permanent financing for the Cost of Construction of a Project.

“Bondowner” or “Owner,” or any similar term, means the owner of any Bond or Bonds. In the case of a fully-registered Bond, Bondowner means the registered owner of such Bond.

“Bond Payment Date” means each date on which (1) interest on the Bonds is due and payable or (2) Principal of the Bonds is payable at maturity or pursuant to Sinking Fund Installments.

“Bonds” means bonds, notes or other obligations (other than Subordinated Indebtedness and Repayment Obligations) authorized by and at any time Outstanding pursuant to the Indenture.

[“Build America Bonds” means the interest subsidy bonds issuable by the Issuer under Sections 54AA and 6431 of the Code and a “qualified bond” under Section 54AA(g)(2) of the Code or such other tax credit bonds of substantially similar nature which may be hereafter authorized.]

“Business Day” means a day of the year which is not a Saturday, Sunday or legal holiday in New York, New York, or Salt Lake City, Utah, or a day on which the Trustee is authorized or obligated to close.

“Capital Appreciation Bonds” means Bonds the interest on which (1) is compounded and accumulated at the rates and on the dates set forth in the Supplemental Indenture authorizing the issuance of such Bonds and designating them as Capital Appreciation Bonds, and (2) is scheduled to be payable upon maturity or redemption of such Bonds.

“Code” means the Internal Revenue Code of 1986, as amended and supplemented from time to time. Each reference to a section of the Code shall be deemed to include the United States Treasury Regulations, including temporary and proposed regulations, relating to such section which are applicable to the Indenture, including the Bonds, the use of Bond proceeds and the facilities financed or refinanced with the Bonds.

“Cost” or “Cost of Construction” means the costs of the Company properly attributable to the acquisition, construction and placing in service of each project and all expenses preliminary and incidental thereto incurred by the Company in connection therewith and in the issuance of the Bonds, including all costs and expenses incurred by the Company in connection with its investigation, negotiation and review of each Project, and further including certain items set forth in the Indenture.

“Crossover Date” means with respect to Crossover Refunding Bonds the date on which the principal portion of the related Crossover Refunded Bonds is scheduled to be paid or redeemed from the proceeds of such Crossover Refunding Bonds.

“Crossover Refunded Bonds” means Bonds refunded by Crossover Refunding Bonds.

“Crossover Refunding Bonds” means Refunding Bonds the proceeds of which are irrevocably deposited in escrow to secure the payment on the Crossover Date of the principal or Redemption Price of the Crossover Refunded Bonds (subject to possible use to pay the principal or Redemption Price of the Crossover Refunding Bonds under certain circumstances) and the earnings on such escrow deposit are to be applied to pay interest on the Crossover Refunding Bonds to and including the Crossover Date.

“Current Interest Bonds” means all Bonds other than Capital Appreciation Bonds. Interest on Current Interest Bonds shall be payable periodically on the interest payment dates provided therefor in a Supplemental Indenture.

“Debt Service” means, for any particular Fiscal Year and for any Series of Bonds, an amount equal to the sum of

1. all interest payable during such Fiscal Year on such Bonds Outstanding, plus
2. the Principal Installments payable during such Fiscal Year on such Bonds Outstanding (other than Bond Anticipation Notes).

“Debt Service Reserve Requirement” means an amount equal to the least of: (1) the sum of ten percent of the original Principal amount of each Series of Bonds; (2) the Maximum Annual Debt Service on the Bonds; and (3) 125% of the Average Annual Debt Service on the Bonds. The Debt Service Reserve Requirement shall be calculated on the date of original issuance of the first Series of Bonds issued under the Indenture and shall be recalculated on the date of original issuance of any Series of Additional Bonds. The Company may, but shall be under no obligation to, recalculate the Debt Service Reserve Requirement upon the issuance of a Series of Refunding Bonds to reflect the Bonds Outstanding after such issuance.

“Direct Payments” means the interest subsidy payments received by the Issuer from the United States Treasury pursuant to Section 6431 of the Code with respect to Bonds issued under the Indenture.

“Escrowed Interest” means earnings on amounts irrevocably deposited in escrow in connection with the issuance of Crossover Refunding Bonds which are required to be applied to pay interest on such Crossover Refunding Bonds to and including the Crossover Date.

“Fiscal Year” means the annual accounting period of the Company as from time to time in effect, initially a period commencing on January 1 of each Calendar Year and ending on the next succeeding December 31.

“Fund” means one of the funds established pursuant to the Indenture, including the Construction Fund, the Revenue Fund, the Bond Fund, the Subordinated Indebtedness Fund, the Renewal and Replacement Fund and the Rate Stabilization Fund, together with any additional funds established by Supplemental Indenture pursuant to the Indenture.

“Indenture” means collectively, the Trust Indenture, dated October 1, 2002, by and between the Company and the Trustee, as it may be from time to time supplemented and amended and the First Supplemental Trust Indenture, dated as of October 1, 2002, by and between the Company and the Trustee.

“Interest Rate Swap” means an agreement between the Company or the Trustee and a Swap Counterparty related to Bonds of one or more Series whereby a variable rate cash flow (which may be subject to any interest rate cap) on a principal or notional amount is exchanged for a fixed rate of return on an equal principal or notional amount. If the Company or the Trustee enters into more than one Interest Rate Swap with respect to a Series of Bonds, each Interest Rate Swap shall specify the same payment dates.

“Maximum Annual Debt Service” means the greater of (1) the Aggregate Debt Service during the current Fiscal Year or (2) the Aggregate Debt Service in any future Fiscal Year.

“Members” means, collectively, Heber City, Midway City, Charleston Town and any other public agency that may become a party to the Organization Agreement pursuant to the Act.

“Moody’s” means Moody’s Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation shall no longer perform the functions of a securities rating agency, “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Company, with the approval of the Trustee.

“Operation and Maintenance Costs” means all actual operation and maintenance costs related to the Project incurred by the Company in any particular Fiscal Year or period to which said term is applicable or charges made therefor during such Fiscal Year or period, but only if such charges are made in accordance with Generally Accepted Accounting Principles, including amounts reasonably required to be set aside in reserves for items of Operation and Maintenance Costs the payment of which is not then immediately required.

Operation and Maintenance Costs include, but are not limited to, costs of operating and maintaining the System, fuel costs, the costs of ordinary repairs, renewals, and replacements to the System; salaries and wages, employees’ health, hospitalization, pension, retirement and other expenses; fees and expenses for services, materials and supplies; rents, administrative and general expenses; insurance expenses; periodic costs of any Security Instruments or Reserve Instruments; Fiduciaries’ fees and expenses; Remarketing Agents’ and other agents’ fees and expenses; legal, engineering, accounting, financing and financial advisory fees and expenses, and fees and expenses of other consulting and technical services; training of personnel; taxes; payments in lieu of taxes and other governmental charges; costs and expenses relating to the decommissioning, termination and removal from service of any part of the System, all to the extent properly allocable to the System.

Operation and Maintenance Costs do not include depreciation or obsolescence charges or reserves therefor; amortization of intangibles or other bookkeeping entries of a similar nature; interest charges and charges for the payment of principal, or amortization, of bonded or other indebtedness of the Company, or costs, or charges made therefor; costs or charges for capital improvements to or retirements from the System which under Generally Accepted Accounting Principles are properly chargeable to the capital account or the reserve for depreciation and do not include losses from the sale, abandonment, reclassification, revaluation or other disposition of any properties of the System; or payments due as a result of the termination of any Interest Rate Swap or commodity swap.

“Organization Agreement” means the Organization Agreement dated September 9, 2002, and amended in March 2010 and October 2014, among the Members.

“Paired Obligations” shall mean any Series (or portion thereof) of Bonds designated as Paired Obligations in the Supplemental Indenture authorizing the issuance or incurrence thereof, which are simultaneously issued or incurred (i) the principal of which is of equal amount maturing and to be redeemed (or cancelled after acquisition thereof) on the same dates and in the same amounts, and (ii) the interest rates which, taken together, result in an irrevocably fixed interest rate obligation of the Company for the terms of such Bonds.

“Principal Installment” means, as of any date of calculation, with respect to any Series of Bonds, (1) the Principal amount of Bonds of such Series due on a certain future date for which no Sinking Fund Installments have

been established, or (2) the unsatisfied balance of any Sinking Fund Installment due on a certain future date for Bonds of such Series.

“Project” means the acquisition, construction, addition, extension and/or improvement of rights, properties, facilities or equipment constituting a part of the System and designated as a Project by the Company in a Supplemental Indenture. A Project may include, but is not limited to, properties, facilities and equipment for the generation, transmission and distribution of electric power and energy, fuel supplies and other rights or interests used or useful in the operation and management of the System.

“Rate Covenant Requirement” means, for each Fiscal Year, an amount equal to at least the sum of (a) 125% of the Aggregate Debt Service, (b) 100% of the Repayment Obligations, if any, due and payable during such Fiscal Year, and (c) 100% of the amounts, if any, required to be deposited into the Debt Service Reserve Account pursuant to the Indenture.

“Rate Stabilization Fund” means the Fund by that name established pursuant to the Indenture.

“Rating Agency” means Moody’s or S&P or any other rating agency so designated in a Supplemental Indenture.

“Refunding Bonds” means Bonds issued to refund a Series of Bonds previously issued.

“Reserve Instrument” means a letter of credit, surety bond or similar instrument issued by a bank, insurance company or other financial institution to satisfy all or any portion of the Debt Service Reserve Requirement.

“Revenues” means all revenues, fees, income, charges, rents, and receipts derived by the Company from or attributable to the System and the sale of the output, capacity or services of the System, including the proceeds of any insurance covering business interruption loss, all as determined in accordance with Generally Accepted Accounting Principles. “Revenues” also includes all interest, profits or other income derived from the investment of any moneys held pursuant to the Indenture and required to be paid into the Revenue Fund and any net income realized by the Company from capital contributions or payments in aid of construction made by subdividers and developers and Direct Payments. Revenues shall not include (1) insurance proceeds resulting from casualty damage to the System; (2) the proceeds from the sale of the Bonds; or (3) moneys received under any Security Instrument or Reserve Instrument.

“S&P” means Standard & Poor’s Credit Market Services, a division of The McGraw-Hill Companies Inc., its successors and assigns, and, if such entity shall no longer perform the functions of a securities rating agency, “S&P” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Company, with the approval of the Trustee.

“Security Instrument” means an instrument or other device issued by a bank, insurance company or other financial institution to pay, or to provide security or liquidity for, a Series of Bonds.

“Series” means all of the Bonds designated as being of the same Series authenticated and delivered on original issuance in a simultaneous transaction, and any Bonds thereafter authenticated and delivered in lieu thereof or in substitution therefor pursuant to the Indenture.

“Series Subaccount” means the separate subaccount created for each Series of Bonds in the Debt Service Account.

“Sinking Fund Installment” means an amount so designated for a Series of Bonds pursuant to the Indenture. “Subordinated Indebtedness” means any bond, note or other evidence of indebtedness which is expressly made subordinate and junior in right of payment to the Bonds and which complies with the provisions of the Indenture.

“Supplemental Indenture” means any indenture supplementing or amending the Indenture entered into in accordance with the terms of the Indenture.

“Swap Counterparty” means a member of the International Swap Dealers Association rated in one of the three top rating categories by at least one Rating Agency.

“Swap Payments” means as of each scheduled payment date specified in an Interest Rate Swap, the amount, if any, payable to the Swap Counterparty by the Company (or by the Trustee on behalf of the Company).

“Swap Receipts” means as of each payment date specified in an Interest Rate Swap, the amount, if any, payable to the Company (or to the Trustee for the account of the Company) by the Swap Counterparty.

“Swap Termination Payment” means the amount, if any, payable by the Company (or by the Trustee for the account of the Company) or by the Swap Counterparty as a result of the termination of an Interest Rate Swap.

“Trustee” means U.S. Bank Trust Company, National Association, and its successors and assigns, and any other corporation or association which may at any time be substituted in its place as provided in the Indenture.

“Variable Rate Bonds” means, as of any date of calculation, Bonds the terms of which on such date of calculation are such that interest thereon for any future period of time is expressed to be calculated at a rate which is not then susceptible of a precise determination.

As used in the Indenture, the term “principal” means (1) with respect to any Capital Appreciation Bond, the Accreted Amount thereof, and (2) with respect to any Current Interest Bond, the principal amount of such Bond payable at maturity; provided, however, that for purposes of all consents, votes, directions, notices, approvals and other actions taken by the Bondowners under Article VIII or Article IX of the Indenture, (a) the principal of each Capital Appreciation Bond shall be deemed to be the Accreted Amount thereof as of the most recent compounding or accretion date, and (b) the principal of each Bond Anticipation Note shall be deemed to be zero.

Establishment of Funds

The following funds are established under the Indenture:

- (1) Construction Fund, to be held by the Trustee, in which the Trustee shall establish a Project Account for each Project;
- (2) Revenue Fund, to be held by the Company;
- (3) Bond Fund, to be held by the Trustee, consisting of a Debt Service Account, in which the Trustee shall establish a separate Series Subaccount for each Series of Bonds, and each Interest Rate Swap and a Debt Service Reserve Account;
- (4) Subordinated Indebtedness Fund, to be held by the Trustee;
- (5) Renewal and Replacement Fund, to be held by the Company; and
- (6) Rate Stabilization Fund, to be held by the Company.

The Company may, by Supplemental Indenture, establish one or more additional Funds, accounts or subaccounts.

Pledge of the Indenture

The Bonds are special obligations of the Company payable from and secured by the Revenues, moneys, securities and funds pledged therefor under the Indenture. The Indenture pledges for the payment of Principal or Redemption Price of and interest on the Bonds in accordance with their terms and the provisions of the Indenture, subject only to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture, all right, title and interest of the Company in and to (1) the proceeds of sale of the Bonds, (2) the Revenues, and (3) all Funds established by the Indenture (except for the Rebate Fund), including

the investments, if any, thereof, subject to any required rebate of all or a portion of the earnings on such investments to the United States of America pursuant to the requirements of the Code. The Indenture provides that the Company may by Supplemental Indenture pledge the Revenues to secure its repayment obligations to the issuer of any Reserve Instrument, provided that any such pledge shall be subject to the provisions of the Indenture.

Flow of Funds

All Revenues shall be promptly deposited by the Company to the credit of the Revenue Fund. The Operation and Maintenance Costs shall be paid by the Company out of the amounts on deposit in the Revenue Fund, from time to time as such costs become due and payable. The Company may accumulate such additional amounts in the Revenue Fund as are reasonably necessary to provide for the payment of items of Operation and Maintenance Costs which accrue over time and which are payable less frequently than monthly.

On or before the last Business Day of each month (and at such times as may be necessary to provide for the full and timely payment of all Bond Payments and Swap Payments), the Company shall, after the payment of Operation and Maintenance Costs then due, from and to the extent of the moneys on deposit in the Revenue Fund, transfer and deposit into the following Funds the amounts set forth below in the following order:

(1) first, into the Bond Fund for credit to the Debt Service Account, the amount, if any, required so that the balance in each of the Series Subaccounts in the Debt Service Account shall equal the Accrued Debt Service on the Series of Bonds for which such Series Subaccount was established;

(2) second, into the Bond Fund for credit to the Debt Service Reserve Account, if moneys shall ever have been paid out of the Debt Service Reserve Account for the purpose specified in the Indenture or a draw on a Reserve Instrument shall have been made or if for any other reason moneys in the Debt Service Reserve Account shall have been removed and in any such case if such moneys shall not have been replaced from any source, such amount of the money remaining in the Revenue Fund, or all of the money so remaining if less than the amount necessary, until either the amount so paid out of or removed from the Debt Service Reserve Account or drawn on the Reserve Instrument shall have been replaced, so as to cause an amount equal to the Debt Service Reserve Requirement to be on deposit in the Debt Service Reserve Account;

provided, however, that so long as there shall be held in the Bond Fund cash and Investment Securities in an amount sufficient to pay in full all Outstanding Bonds in accordance with their terms, no deposits shall be required to be made into the Bond Fund; and

(3) third, into the Subordinated Indebtedness Fund, such amount as shall be necessary to pay timely the principal of and interest on, or other payment obligations in respect of, Subordinated Indebtedness and reserves therefor, as provided in the resolution, indenture or other instrument, including a Supplemental Indenture, securing such Subordinated Indebtedness.

(4) fourth, into the Renewal and Replacement Fund such amount as shall be necessary so as to cause the amount set forth in the Annual Budget for the then-current Fiscal Year to be deposited into the Renewal and Replacement Fund by the end of such Fiscal Year.

Amounts remaining on deposit in the Revenue Fund after the transfers provided for in the Indenture may be transferred from time to time by the Company into the Rate Stabilization Fund, provided, however, that after any such transfer (1) the sum of the amounts on deposit in the Revenue Fund and the Debt Service Account shall equal the Accrued Debt Service on all Series of Bonds Outstanding, (2) the Debt Service Reserve Requirement shall be on deposit in the Debt Service Reserve Account, and (3) there shall be on deposit in the Revenue Fund the amount of working capital required by the Indenture.

Operation of Special Funds and Accounts

Bond Fund - Debt Service Account. Each Supplemental Indenture providing for the issuance of a Series of Bonds shall establish a separate Series Subaccount in the Debt Service Account for each such Series of Bonds issued.

There shall be deposited into each Series Subaccount the amounts required for the payment of the interest on and principal or redemption price of the Bonds of such Series when due.

Except as otherwise provided in a Supplemental Indenture authorizing a Series of Bonds, amounts accumulated in any Series Subaccount in the Debt Service Account with respect to any Sinking Fund Installment (together with amounts accumulated therein with respect to interest on the Bonds for which such Sinking Fund Installment was established) shall, if so directed by the Company in a Written Request not less than 30 days before the due date of such Sinking Fund Installment, be applied by the Trustee to (1) the purchase of Bonds of the Series and maturity for which such Sinking Fund Installment was established, (2) the redemption at the applicable sinking fund Redemption Price of such Bonds, if then redeemable by their terms, or (3) any combination of (1) and (2).

Bond Fund - Debt Service Reserve Account. Subject to any limitations contained in a Supplemental Indenture, the Company may satisfy all or any portion of the Debt Service Reserve Requirement by means of a Reserve Instrument (or may substitute one Reserve Instrument for another) if the Company has provided to the Trustee written evidence satisfactory to the Trustee from each Rating Agency then having a rating in effect for any Series of Bonds then Outstanding to the effect that the Rating Agency has reviewed the proposed Reserve Instrument and that the use of such Reserve Instrument (or the substitution of one Reserve Instrument for another, as applicable) will not, by itself, result in a reduction or withdrawal of such Rating Agency's rating of such Series of Bonds.

If on the third Business Day immediately preceding each Bond Payment Date, after the deposit of moneys into the Debt Service Account as described above, the amount in any Series Subaccount in the Debt Service Account shall be less than the amount required to be in such Series Subaccount, the Trustee shall: (1) apply amounts from the Debt Service Reserve Account to the extent necessary to make good the deficiency; and (2) to the extent that moneys and investments available in the Debt Service Reserve Account are not sufficient to eliminate the deficiency in the Series Subaccounts in the Debt Service Account and Reserve Instruments are in effect, immediately make a demand for payment on all such Reserve Instruments, pro rata to the maximum extent authorized by such Reserve Instruments, in the aggregate amount necessary to make up such deficiency, and immediately deposit such payment upon receipt thereof in the appropriate Series Subaccount in the Debt Service Account; provided, however, if the moneys in the Debt Service Reserve Account, together with amounts available under any Reserve Instruments, are insufficient to make up deficiencies in two or more Series Subaccounts in the Debt Service Account, the Trustee shall distribute the moneys or the amounts available under any Reserve Instrument into all such Series Subaccounts on a pro rata basis, such distribution to be determined by multiplying the amount available for distribution by the proportion that the deficiency in each Series Subaccount bears to the total deficiency in all Series Subaccounts.

Whenever the moneys on deposit in the Debt Service Reserve Account, including investment earnings and the amounts available under any Reserve Instrument with respect thereto, shall exceed the Debt Service Reserve Requirement, such excess shall be transferred by the Trustee and paid to the Company for deposit into the Revenue Fund.

Whenever the amount in the Debt Service Reserve Account, excluding the amounts available under any Reserve Instrument, together with the amounts in the Series Subaccounts in the Debt Service Account are sufficient to pay in full all Outstanding Bonds in accordance with their terms (including principal or applicable sinking fund Redemption Price and interest thereon), the funds on deposit in the Debt Service Reserve Account shall be transferred to the Series Subaccounts in the Debt Service Account and no further deposits shall be required to be made into the Debt Service Reserve Account.

No Reserve Instrument shall be allowed to expire unless and until cash has been deposited into the Debt Service Reserve Account, or a new Reserve Instrument has been issued in place of the expiring Reserve Instrument, in an amount or to provide coverage at least equal to the Debt Service Reserve Requirement.

Renewal and Replacement Fund. The Renewal and Replacement Fund shall be held by the Company, and pursuant to the indenture, the Company shall from time to time deposit such amounts into the Renewal and Replacement Fund as are set forth in the Annual Budget then in effect. Amounts on deposit in the Renewal and Replacement Fund shall be used to pay unusual or extraordinary Operation and Maintenance Costs, the Cost of Construction of any part of the System, and shall provide reserves for the foregoing.

Rate Stabilization Fund. Any amounts in the Rate Stabilization Fund shall be transferred prior to each Bond Payment Date to the extent necessary to make up any deficiencies first, in any Series Subaccounts in the Debt Service Account and second, in the Debt Service Reserve Account.

Amounts in the Surplus Fund not required to meet a deficiency as described in the previous paragraph may be transferred from time to time by the Company from the Rate Stabilization Fund free and clear of the lien of the Indenture and deposited into any funds or accounts established by the Company to be used for any lawful purpose, including various purposes specified in the Indenture.

Construction Fund. There shall be paid into the Construction Fund the amounts required to be so paid by the provisions of the Indenture or any Supplemental Indenture. The Trustee shall establish within the Construction Fund a separate Project Account for the Initial Facilities and any Additional Facilities and shall establish one or more subaccounts in each Project Account, as necessary. Amounts in each Project Account shall be applied to pay the Cost of Construction. Upon receipt of each written request, as required in the Indenture, the Trustee shall pay the amounts set forth therein as directed by the terms thereof.

Subordinated Indebtedness Fund. The Trustee shall apply amounts in each separate account in the Subordinated Indebtedness Fund at the times, in the amounts and to the purposes specified with respect thereto in the respective resolutions, indentures or other instruments, including any Supplemental Indenture, relating to such account and the Subordinated Indebtedness payable therefrom or secured thereby. If at any time the amount in any Series Subaccount in the Debt Service Account shall be less than the requirement of such Subaccount pursuant to the Indenture, or the amount in the Debt Service Reserve Account shall be less than the Debt Service Reserve Requirement relating thereto, and there shall not be on deposit in the Revenue Fund available moneys sufficient to cure either such deficiency, then the Trustee shall withdraw from the Subordinated Indebtedness Fund and deposit into such Series Subaccount in the Debt Service Account or into the Debt Service Reserve Account, as the case may be, the amount necessary to make up such deficiency (or, if the amount in said Fund shall be less than the amount necessary to make up the deficiencies with respect to all Series Subaccounts in the Debt Service Account and the Debt Service Reserve Account, then the amount in said Fund shall be first applied ratably (in proportion to the deficiency in each such Subaccount) to make up the deficiencies in the Debt Service Account, and any balance remaining shall be applied to make up part of the deficiency in the Debt Service Reserve Account.

Interest Rate Swaps. The Company may enter into one or more Interest Rate Swaps with respect to the Bonds. Before entering into any Interest Rate Swap, the Company and the Trustee shall execute a Supplemental Indenture which shall include provisions pursuant to the Indenture.

Swap Receipts received by the Company or the Trustee shall be deposited promptly upon receipt into the applicable Series Subaccount in the Debt Service Account. Any Swap Termination Payment received by the Company or the Trustee shall be deposited promptly upon receipt into the Revenue Fund.

Nothing in the indenture shall preclude the Company from entering into an Interest Rate Swap under which all Swap Payments and Swap Termination Payments are to be made solely from the Subordinated Indebtedness Fund or an account or subaccount therein.

Investment of Funds

Moneys held in any Fund or account shall be invested and reinvested by the Company or the Trustee to the fullest extent practicable in Investment Securities which mature not later than such times as shall be necessary to provide moneys when needed for payments to be made from such Fund or account.

Subject to any required rebate of earnings on investments in any Fund or account to the United States of America pursuant to Section 148(f) of the Code and except as otherwise provided in a Supplemental Indenture establishing a Project Account or a Series Subaccount: (1) all moneys earned as an investment of moneys in the Construction Fund shall be retained therein; (2) net income earned on any moneys or investments in the Revenue Fund, the Rate Stabilization Fund and the Debt Service Account shall be transferred to the Revenue Fund; or (3) whenever the Debt Service Reserve Account is in its full required amount, net income earned on any moneys or

investments therein shall be transferred to the Revenue Fund as provided in the Indenture, otherwise, to be retained therein.

Issuance of Bonds

General Provisions. Whenever the Company shall determine to issue any Series of Bonds, the Company shall enter into a Supplemental Indenture with the Trustee which shall specify the information required by the Indenture.

Each Series of Bonds shall be executed by the Company and authenticated and delivered by the Trustee upon the Written Request of the Company, but only upon receipt by the Trustee of the documents required by the Indenture, including an opinion of counsel and a certificate setting forth the Debt Service and the Aggregate Debt Service for each Fiscal Year of the Bonds of such Series. The Indenture requires the Company to cause an amount equal to any increase in the Debt Service Reserve Requirement to be on deposit in the Debt Service Reserve Account upon the issuance of any Additional Bonds.

Construction Bonds. One or more Series of Additional Bonds may be authenticated and delivered upon original issuance from time to time in such Principal amount for each such Series as may be determined by the Company for the purpose of paying or providing for the payment of all or a portion of (1) the Cost of Construction of Additional Facilities, (2) Principal, Redemption Price and interest on Bond Anticipation Notes or (3) any combination of (1) and (2).

Each Series of Construction Bonds shall be authenticated and delivered by the Trustee only upon receipt by the Trustee of a Written Certificate of the Company, dated as of the date of such delivery, that contains the following:

(1) The then Estimated Completion Date and the then estimated Cost of Construction of the Project being financed by such Series of Bonds;

(2) A statement that, upon the authentication and delivery of the Bonds of such Series, no Event of Default has occurred and is then continuing under the Indenture and no event has or will have occurred which, with the passage of time or the giving of notice, or both, would give rise to an Event of Default under the Indenture; and

(3) A statement that the Adjusted Net Revenues of the Company for its immediately preceding Fiscal Year or for any Year within the 18 calendar months prior to the authentication and delivery of such Series of Bonds are not less than 1.25 times the Maximum Annual Debt Service with respect to all Series of Bonds to be Outstanding after the issuance of the proposed Series of Construction Bonds.

The provisions of Indenture described in (3) above do not apply:

(1) to any Series of Construction Bonds all of the proceeds of which are to be applied to pay the Cost of Construction of a Project necessary, as expressed in an Engineer's Certificate delivered to the Trustee, to keep the System or any component thereof in good operating condition or to prevent a loss of Revenues, or to comply with requirements of any governmental agency having jurisdiction over the Company or the System; or

(2) to any Series of Bonds issued to pay the Cost of Construction necessary to complete any Project for which Construction Bonds have previously been issued, provided that the Trustee shall have received certain certifications of an independent engineer and the Company.

The proceeds, including accrued interest, of each Series of Construction Bonds shall be deposited simultaneously with the delivery of such Bonds in the Construction Fund and, to the extent permitted by law and the provisions of the Indenture, in any other Funds or such other funds or accounts as may be established by the Supplemental Indenture, in such amounts, if any, as may be provided in the Supplemental Indenture authorizing the issuance of such Series of Construction Bonds.

Refunding Bonds. One or more Series of Refunding Bonds may be issued in such Principal amount which, when taken together with other legally available funds, will provide the Company with funds sufficient to accomplish

the refunding of all or a part of the Outstanding Bonds of one or more Series, including in each case the payment of all expenses in connection with such refunding.

Each Series of Refunding Bonds (other than crossover refunding bonds) shall be authenticated and delivered by the Trustee only upon receipt by the Trustee (in addition to the documents required under “General Provisions” above) of the following documents or moneys or securities:

(1) A Written Certificate of the Company stating that the issuance of such Series of Refunding Bonds complies with the requirements of the Indenture;

(2) Irrevocable instructions to the Trustee, satisfactory to it, to give due notice of any redemption of the Bonds to be refunded on the redemption date or dates specified in such instructions;

(3) If, within the next succeeding 90 days, the Bonds to be refunded do not mature, are not redeemable or are not to be redeemed, irrevocable instructions to the Trustee satisfactory to it, to mail the notice provided for in the Indenture to the Owners of the Bonds being refunded; and

(4) Either (A) moneys in an amount sufficient to effect payment of the principal or the applicable Redemption Price of the Bonds to be refunded, together with accrued interest to the maturity or redemption date, as the case may be, which moneys shall be held by the Trustee or any one or more of the Paying Agents in a separate account irrevocably in trust for the Bonds to be refunded, or (B) Government Obligations in such Principal amounts, of such maturities, bearing such interest, and otherwise having such terms and qualifications and any moneys, as shall be necessary to comply with the provisions of the Indenture, which Government Obligations and moneys shall be held in trust and used only as provided in the Indenture.

Each Series of Crossover Refunding Bonds shall be authenticated and delivered by the Trustee only upon receipt by the Trustee (in addition to the documents required under “General Provisions” above) of the following documents or moneys or securities:

(1) A Written Certificate of the Company stating that the issuance of such Series of Crossover Refunding Bonds complies with the requirements of the Indenture;

(2) Instructions to the Trustee, satisfactory to it, to give due notice of any redemption of the Crossover Refunded Bonds on the Crossover Date or on such other redemption date or dates, and subject to such conditions, as shall be specified in such instructions;

(3) If the Crossover Refunded Bonds are not by their terms subject to redemption within the 90 days next succeeding the Crossover Date, instructions to the Trustee, satisfactory to it, to mail the notice provided for in the Indenture to the Owners of the Crossover Refunded Bonds on such date or dates as shall be specified in such instructions;

(4) Either (A) moneys in an amount sufficient to effect payment of the interest on the Crossover Refunding Bonds to the Crossover Date and the principal or the applicable Redemption Price of the Crossover Refunded Bonds on the Crossover Date (or other redemption date of the Crossover Refunded Bonds), which moneys shall be held by the Trustee or any one or more of the Paying Agents in a separate trust account, or (B) Investment Securities in such principal amounts, of such maturities, bearing such interest and otherwise having such terms and qualifications and any moneys, as shall be necessary to comply with the provisions of the Supplemental Indenture authorizing the issuance of the Crossover Refunding Bonds; and

(5) There shall be filed with the Trustee a Written Certificate of an Independent Public Accountant demonstrating the sufficiency of the moneys and investments in the escrow to pay the interest on the Crossover Refunding Bonds to the Crossover Date and the principal or Redemption Price, as applicable, of the Crossover Refunded Bonds on the Crossover Date (or other redemption date of the Crossover Refunded Bonds).

Any Supplemental Indenture providing for the issuance of Crossover Refunding Bonds may establish conditions to the occurrence of the Crossover Date and provide that the Crossover Date will not occur if such

conditions are not satisfied, in which case the Crossover Refunding Bonds will be redeemed on the Crossover Date from the proceeds thereof, Escrowed Interest and other moneys available therefor. Each such Supplemental Indenture shall, in addition to all other requirements of the Indenture, provide that (i) until the occurrence of the Crossover Date none of the principal or Redemption Price of and interest on the Crossover Refunding Bonds shall be payable from or secured by the pledge of the Indenture, but shall be payable from the proceeds of the Crossover Refunding Bonds, Escrowed Interest and such other sources as may be provided in such Supplemental Indenture, and (ii) upon the occurrence of the Crossover Date, the Crossover Refunding Bonds shall be secured by the lien of the Indenture on a parity with all other Series of Bonds Outstanding.

A Series of Refunding Bonds may be combined with a Series of Construction Bonds.

Bond Anticipation Notes. One or more Series of Bond Anticipation Notes may be authenticated and delivered upon original issuance from time to time in such principal amount for each such Series as may be determined by the Company for the purpose of paying or providing for the payment of all or a portion of the Cost of Construction of any Project, or the refunding of Bond Anticipation Notes, or a combination of such purposes.

The payment of the interest on Bond Anticipation Notes shall be on a parity with the lien and charge created in the Indenture for the payment of the Bonds. The payment of the Principal Installments on Bond Anticipation Notes shall be payable solely from the proceeds of Bonds or amounts on deposit in the Subordinated Indebtedness Fund and the Supplemental Indenture pursuant to which any Series of Bond Anticipation Notes is issued shall so provide. Each Bond Anticipation Notes shall state on its face that the payment of Principal Installments thereof is so subordinated.

No Bond Anticipation Note shall mature later than five years from its date, including all refundings thereof by Bond Anticipation Notes.

Special Covenants

Punctual Payment. The Company will punctually pay or cause to be paid the Principal, Redemption Price and interest on the Bonds in strict conformity with the terms of the Bonds and the Indenture, and The Company will punctually pay or cause to be paid all Sinking Fund Installments which may be established for any Series of Bonds.

Operation and Maintenance. The Company shall (a) cause the System to be operated, maintained and managed in an efficient and economical manner, (b) cause the System to be maintained, preserved and kept in good repair, working order and condition, and (c) cause all necessary and proper repairs, replacements and renewals to be made so that the operating efficiency of the System will be of a high character.

Power to Own Project and Collect Charges; Maintenance of Revenues. The Company has, and will have as long as any Bonds are Outstanding, good, right and lawful power to own the System and establish and collect rates, fees and charges for the services provided by the System. The Company will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such Supplemental Indentures and such further accounts, instruments and transfers as the Trustee may reasonably require for the better assuring, pledging and confirming to the Trustee all and singular the Revenues, and the other amounts pledged by the Indenture to the payment of the principal of, Redemption Price and interest on the Bonds. The Company will not sell, convey, mortgage, encumber or otherwise dispose of any part of the System or the Revenues, except as specifically authorized in the Indenture.

Observance of Law and Regulations. The Company will keep, observe and perform all valid and lawful obligations or orders or regulations now or hereafter imposed on it by contract, or prescribed by any law of the United States of America or of the State of Utah, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of any and every right, privilege, license or franchise now owned or hereafter acquired by the Company relating to or affecting the System, including its right to exist and carry on business, to the end that such rights, privileges, license and franchises shall be maintained and preserved, and shall not become abandoned, forfeited or in any manner impaired; provided, however, that the Company shall not be required to comply with any such orders so long as the validity or application thereof shall be contested in good faith.

Rates, Fees and Charges. The Company shall at all times establish and collect rates and charges for the services provided by the System, as shall be required to provide Revenues at least sufficient in each Fiscal Year, together with other available funds, for the payment of the sum of:

- (1) Operation and Maintenance Costs;
- (2) An amount equal to the Aggregate Debt Service, plus a margin of 25%;
- (3) The Repayment Obligations, if any, coming due;
- (4) The amount, if any, to be paid into the Debt Service Reserve Account in the Bond Fund; and
- (5) All other charges or amounts payable out of Revenues during such Fiscal Year.

Payment of Taxes and Charges. The Company will from time to time duly pay and discharge, or cause to be paid and discharged, all taxes, assessments and other governmental charges, or required payments in lieu thereof, lawfully imposed upon the properties of the System or upon the Revenues when the same become due (except those taxes, assessments, charges or claims which the Company shall in good faith contest by proper legal proceeding if the Company shall in all such cases have set aside on its books reserves deemed adequate with respect thereto), and will duly observe and conform to all valid requirements of any governmental authority relative to any such properties. The Company will keep the System and all parts thereof free from judgments, mechanics' and materialmen's liens (except those arising by mere operation of law from the construction of a Project which are paid in due course) and free from all other liens, claims, demands and encumbrances of whatsoever prior nature or character, to the end that the priority of the lien of the Indenture on the Revenues may at all times be maintained and preserved, and be free from any claim or liability which might embarrass or hamper the Company in conducting its business.

Insurance. Subject in each case to the conditions that similar insurance is usually carried by utilities operating facilities comparable to the System and that such insurance is obtainable at reasonable rates and upon reasonable terms and conditions: (a) the Company will secure and maintain, insurance on the physical properties of the System with a value in excess of \$100,000, business interruption insurance, and public liability insurance in the amounts and against such risks as are usually insurable in connection with similar facilities and are normally carried by public utilities engaged in the operation of similar properties; and such insurance policies procured pursuant to this provision shall name the Trustee as an additional loss payee and shall not terminate or expire prior to thirty days after the Trustee has been notified of such termination or expiration; and (b) the Company will secure and maintain adequate fidelity insurance or bonds on the positions of any person or persons handling or responsible for funds of the Company.

Accounts and Reports. The Company will at all times keep, or cause to be kept, proper books of record and accounts, separate and apart from all other records and accounts of the Company, in which complete and accurate entries shall be made of all transactions relating to the System, the Revenues, and the Funds. Such records and filings are available at all times during business hours for inspection by the Owners of not less than 5 percent of the Bonds then outstanding and by other parties. The Indenture requires the Company to place on file with Trustee from time to time various audited and unaudited financial statements and various reports relating to the System, the Revenues, and the Funds.

Creation of Liens. The Company shall not issue any bonds, notes, debentures, or other evidences of indebtedness of similar nature, other than the Bonds, payable out of or secured by a pledge or assignment of the Revenues or other moneys, securities or funds held or set aside by the Company or by the Fiduciaries under the Indenture and shall not create or cause to be created any lien or charge on the Revenues, or such moneys, securities or funds; provided, however, that nothing contained in the Indenture shall prevent the Company from issuing, if and to the extent permitted by law, bonds, notes, debentures or other evidences of indebtedness payable on a basis subordinate to the Bonds.

The Company will not create, and will use its good faith efforts to prevent the creation of, any mortgage or lien upon the System or any property essential to the proper operation of the System or to the maintenance of the Revenues. The Company will not create, or permit the creation of, any pledge, lien, charge or encumbrance upon the Revenues except only as provided in or permitted by the Indenture.

Eminent Domain. If all or any part of the System shall be taken by eminent domain proceedings or conveyance in lieu thereof, the net proceeds realized by the Company therefrom shall be (a) applied to replace the lost portion of the System or (b) deposited with the Trustee in a special fund in trust and shall be applied and disbursed by the Trustee subject to the following conditions:

(1) If such funds are sufficient to provide for the payment of the entire amount of principal due or to become due upon all of the Outstanding Bonds, together with all of the interest due or to become due thereon and any redemption premiums thereon, so as to enable the Company to retire all of the Bonds then Outstanding, either by call and redemption at the then current Redemption Prices or by payment at maturity or partly by redemption prior to maturity and partly by payment at maturity, the Trustee shall apply such moneys to such retirement or payment, as appropriate, and to the payment of such interest. Pending the application of such proceeds for such purpose, such moneys shall be invested by the Trustee in Government Obligations. The balance of such moneys, if any shall be transferred to the Company.

(2) If such proceeds are insufficient to provide the moneys required for the purposes described in subparagraph (1) above, the Company shall file with the Trustee a Written Request of the Company requesting the Trustee to apply such proceeds for one of the following purposes: (a) to the purchase, redemption or retirement of Bonds; (b) to the cost of additions, improvements or extensions to the System; or (c) for deposit into the Revenue Fund.

Reconstruction; Application of Insurance Proceeds. In the event any useful portion of the System shall be damaged or destroyed, the Company shall determine whether to proceed with the reconstruction or replacement thereof or to remove such part of the System from service. In the event that the Company determines not to reconstruct or replace that part of the System that has been damaged or destroyed, the proceeds of any insurance received by the Company on account of such damage or destruction (other than any business interruption loss insurance), shall be deposited into a special account in the Bond Fund and shall be used, together with other legally available moneys for such purpose, to redeem or defease Bonds. In the event that the Company determines to proceed with the reconstruction or replacement of the affected part of the System, the proceeds of any insurance received by the Company on account of such damage or destruction (other than any business interruption loss insurance), shall, if the appropriate Project Account in the Construction Fund has not been closed, be paid into the Construction Fund as provided in the Indenture, or if the Construction Fund has been closed, shall be held by the Trustee in a special account and made available for, and to the extent necessary be applied to, the cost of such reconstruction or replacement. If the proceeds of insurance authorized by the Indenture to be applied to the reconstruction or replacement of any portion of the System are insufficient for such purpose, the deficiency may be supplied out of moneys in the Rate Stabilization Fund or other legally available monies. The proceeds of business interruption loss insurance, if any, shall be paid into the Revenue Fund.

Acquisition and Construction of Projects. If the Company undertakes the acquisition or construction of any Project, the Company shall cause the acquisition or construction to be accomplished in a sound and economic manner and as expeditiously as is practicable.

Annual Budget. Prior to the beginning of each Fiscal Year, the Company shall prepare and file with the Trustee for the ensuing Fiscal Year an Annual Budget adopted by its Power Board.

Special Facility Bonds. The Company may issue special purpose bonds, notes or obligations from time to time for the purpose of financing or refinancing the cost of one or more Special Facilities. The special purpose bonds, notes or obligations shall be payable solely from and secured solely by the rates and charges derived by the Company from a contract, lease or other arrangement relating to the Special Facility between the Company and the user of the Special Facility. Before any Special Facility shall be constructed or acquired by the Company, the Company shall adopt a resolution pursuant to the Indenture.

Concerning the Trustee

The Trustee shall perform the trusts contained in the Indenture as a corporate trustee ordinarily would perform such trusts under a corporate indenture, upon and subject to the express terms and conditions set forth in the Indenture.

The Trustee shall perform such duties and only such duties as are specifically set forth in the Indenture and shall also act as registrar and Transfer Agent.

The Trustee may resign or be discharged of its duties and obligations under the Indenture at any time by giving not less than 60 days' notice to the Company; provided that no such resignation of the Trustee shall take effect until a successor Trustee shall have been appointed and shall have accepted the duties of the Trustee under the Indenture. The Company may at any time, and shall following the breach by the Trustee of the trusts set forth in the Indenture, remove the Trustee and appoint a successor. The Trustee also may be removed at any time by an instrument or concurrent instruments in writing, filed with the Trustee, and signed by the Owners of a majority in Principal amount of the Bonds then Outstanding or their attorneys-in-fact duly authorized. Notice of any resignation or removal of the Trustee shall be given to the Bond owners as provided in the Indenture.

The Company covenants and agrees in the Indenture to pay to the Trustee its reasonable compensation and its reasonable expenses, disbursements and advances and to indemnify the Trustee against certain liabilities arising out of the performance of its duties under the Indenture. The Indenture grants to the Trustee a lien prior to the lien of the Bonds upon all property or funds held or collected by the Trustee (other than funds held in trust for particular Bonds) to secure the Company's obligations to compensate and indemnify the Trustee.

Events of Default

The occurrence of one or more of the following events shall constitute an "Event of Default":

(1) failure by the Company to make the due and punctual payment of the Principal or Redemption Price of any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for redemption, by declaration or otherwise;

(2) failure by the Company to make the due and punctual payment of any installment of interest on any Bond or any Sinking Fund Installment when and as such interest installment or Sinking Fund Installment shall become due and payable;

(3) failure by the Company to observe any of the covenants, agreements or conditions on its part contained in the Indenture or in the Bonds, and failure to remedy the same for a period of sixty (60) days after written notice thereof, specifying such failure and requiring the same to be remedied, shall have been given to the Company by the Trustee, or to the Company and the Trustee by the Owners of not less than 25% in aggregate Principal amount of the Bonds at the time outstanding; or

(4) bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, including without limitation proceedings under Chapter 9 of Title 11, United States Code (as the same may from time to time be amended), or other proceedings for relief under any federal or state bankruptcy law or similar law for the relief of debtors are instituted by or against the Company and if instituted against the Company, said proceedings are consented to or are not dismissed within 30 days after such institution.

Acceleration

Upon the occurrence of an Event of Default, unless the principal of all the Bonds shall have already become due and payable:

(1) the Trustee may, or

(2) upon receipt of the written request of the Owners of not less than 25% of the aggregate Principal amount of the Bonds at the time outstanding (subject to any limitations specified in a Supplemental Indenture authorizing a Series of Bonds with respect to the rights of the Owners of such Bonds), the Trustee shall, declare upon notice in writing to the Company the Principal of all the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately. Upon such declaration such Principal and interest shall be immediately due and payable, notwithstanding anything to the contrary contained in the Indenture or in the Bonds; provided that with respect an Event of Default described in subsection (1) or (2) under "Event of Default" relative to any Series of Bonds

Outstanding secured by a Security Instrument which is in full force and effect and not in default on any payment obligation thereunder, no acceleration of such Series of Bonds shall occur without the written consent of the issuer of such Security Instrument.

The right of the Trustee to make any such declaration as described above, however, is subject to various conditions set forth in the Indenture and any such declaration may be rescinded and annulled as provided in the Indenture.

Bondholder Rights

No Owner of any Bond shall have any right to institute any proceeding, judicial or otherwise, with respect to the Indenture, or for the appointment of a receiver or trustee, or for any other remedy thereunder, unless:

- (a) such Owner has previously given written notice to the Trustee of a continuing Event of Default;
- (b) the Owners of not less than 25% in aggregate principal amount of the Outstanding Bonds shall have made written request to the Trustee to institute proceedings in respect of such Event of Default;
- (c) such Owners have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request;
- (d) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceedings; and
- (e) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Owners of a majority in Principal amount of the Outstanding Bonds.

In addition, no one or more Owners of Bonds shall have any right to affect, disturb or prejudice the rights of any other Owners of Bonds, or to obtain or to seek to obtain priority or preference over any other such parties or to enforce any right under the Indenture, except as provided in the Indenture.

Notwithstanding any other provision in the Indenture, the Owner of any Bond shall have the right to receive payment of the Principal or Redemption Price of and interest on such Bond on the respective stated maturities expressed in such Bond (or, in the case of redemption, on the redemption date of such Bond) and to institute suit for the enforcement of any such payment. Such right to receive payment shall not be impaired without the consent of such Owner.

Appointment of Receiver

Upon the occurrence of an Event Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondowners, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the trust estate created by the Indenture, including, without limitation, the proceeds of the sale of the Bonds, the Revenues and the Funds, including the investments, if any, thereof, pending such proceedings, with such powers as a court making such appointments shall confer.

Direct Payments

The Company authorizes and directs the Trustee to take all necessary actions to effectively carry out the duties required to apply for and accept Direct Payments from the Internal Revenue Service on behalf of the Company under Sections 54AA, 1400U-2 and 6431 of the Code or such other tax provisions of substantially similar nature which may be hereafter authorized, including, but not limited to, filing and signing IRS Form 8038-CP, receiving the Direct Payment on the Company's behalf, and using such Direct Payment to pay Debt Service on the Bonds. For fixed rate bonds, the Trustee shall file the 8038-CP at least seventy-five (75) days (but not more than ninety (90) days) before the relevant Interest Payment Date (unless otherwise directed by a change in regulations). For variable rate bonds, the Trustee shall file the 8038-CP for reimbursements in arrears within twenty-five (25) days after the last Interest Payment Date within the quarterly period for which reimbursement is being requested (unless otherwise

directed by a change in regulations). The Company covenants that it will deposit the Direct Payments with the Trustee for use in paying Debt Service on the Bonds.

Modification or Amendment of Indenture

The Company and the Trustee may from time to time and at any time enter into a Supplemental Indenture modifying or amending the Indenture or any Supplemental Indenture and the rights and obligations of the Company, the Trustee and of the Owners of the Bonds pursuant to the affirmative vote at a meeting of Bondowners, or with the written consent without a meeting, (1) (A) of the Owners of at least a majority in Principal amount of the Bonds then Outstanding, or (B) in case less than all of the several Series of Bonds then outstanding are affected by the modification or amendment, of the Owners of at least a majority in Principal amount of the Bonds of each Series so affected and then Outstanding, and (2) in case the modification or amendment changes the terms of any Sinking Fund Installment, of the Owners of at least 60% in Principal amount of the Bonds of the particular Series and maturity entitled to such Sinking Fund Installment and then Outstanding.

The Company and the Trustee may also from time to time and at any time enter into a Supplemental Indenture modifying or amending the Indenture or any Supplemental Indenture and the rights and obligations of the Company and the Owners of the Bonds, without the consent of any Bondowners for any of the following purposes:

(1) to add to the covenants and agreements of the Company contained in the Indenture, other covenants and agreements thereafter to be observed, or to surrender any right or power reserved to or conferred upon the Company in the Indenture;

(2) to make such provisions for the purpose of curing any ambiguity, or of curing or correcting any defective provision contained in the Indenture or in regard to questions arising under the Indenture, as the Company may deem necessary or desirable, and which, in accordance with the Indenture, shall not adversely affect the interests of the Owners of the Bonds;

(3) to provide for the issuance of a Series of Bonds in accordance with the provisions of the Indenture;

(4) provide for the issuance of the Bonds pursuant to a book-entry system or as uncertificated registered public obligations pursuant to the provisions of the Registered Public Obligations Act, Chapter 7 of Title 15 of the Utah Code Annotated 1953, as amended, or any successor provision of law;

(5) to make any change which, in the judgment of the Trustee, shall not materially adversely affect the rights or interests of the Owners of any Outstanding Bonds and is required by a Rating Agency in order to obtain or maintain any rating on the Bonds;

(6) to make any change necessary (A) to establish or maintain the exemption from federal income taxation of interest on any Series of Bonds as a result of any modifications or amendments to Section 148 of the Code (or any successor provision of law) or interpretations thereof by the Internal Revenue Service, or (B) to comply with the provisions of Section 148(f) of the Code (or any successor provision of law), including provisions for the payment of all or a portion of the investment earnings of any of the Funds established under the Indenture to the United States of America;

(7) to evidence the appointment of a successor Trustee;

(8) if the Bonds affected by such change are rated by a Rating Agency, to make any change which does not result in a reduction of the rating applicable to any of the Bonds so affected, provided that if any of the Bonds so affected are secured by a Security Instrument, such change must be approved in writing by the issuer of such Security Instrument;

(9) if the Bonds affected by such change are secured by a Security Instrument, to make any change approved in writing by the issuer of such Security Instrument, provided that if any of the Bonds so affected are rated by a Rating Agency, such change shall not result in a reduction of the rating applicable to any of the Bonds so affected; and

(10) the description of the particular additions, improvements and extensions that constitute a Project may be modified or amended by the Company if it delivers to the Trustee a Written Certificate to the effect that such modification or amendment will not adversely impact its ability to meet the covenants contained in the Indenture.

No modification or amendment shall be permitted pursuant to paragraph (8), (9) or (10) unless the Company delivers to the Trustee an Opinion of Counsel of nationally recognized standing in the field of law relating to municipal bonds to the effect that such modification or amendment will not adversely affect the tax-exempt status or validity of any Bonds affected by such modification or amendment.

No modification or amendment permitted by the Indenture shall (1) extend the fixed maturity of any Bond, or reduce the principal amount or Redemption Price thereof, or reduce the rate or extend the time of payment of interest thereon, without the consent of the Owner of each Bond so affected, or (2) reduce the aforesaid percentage of Bonds required for the affirmative vote or written consent to an amendment or modification of the Indenture, without the consent of the Owners of all of the Bonds then Outstanding, or (3) without its written consent thereto, modify any of the rights or obligations of the Trustee.

Each Supplemental Indenture authorized by the Indenture shall become effective as of the date of its execution and delivery by the Company and the Trustee or such later date as shall be specified in such Supplemental Indenture.

Arbitrage Covenant

The Company covenants that moneys on deposit in any Fund, whether or not such moneys were derived from proceeds of sales of Bonds or from any other sources, will not be used in a manner which will cause any Bonds, the interest on which is to be exempt from federal income taxation under the Code, to be “arbitrage bonds” within the meaning of Section 148 of the Code; provided, however, that this covenant shall not prevent the issuance of a Series of Bonds the interest on which is subject to Federal income taxation under the Code.

Discharge of Indebtedness

If the Company shall pay or cause to be paid, or there shall otherwise be paid, subject to any limitations contained in a Supplemental Indenture with respect to a Series of Bonds, to the Owners of all Bonds the Principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Indenture, then the pledge of any Revenues and other moneys, securities and Funds pledged under the Indenture and all covenants, agreements and other obligations of the Company to the Bondowners shall thereupon cease, terminate and become void and be discharged and satisfied.

APPENDIX C

DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING WASATCH COUNTY

General

The following demographic and economic information is provided solely as background information regarding Wasatch County (the "County"), the general area in which the Issuer operates. The County seat and largest city in the County is Heber City.

County and State Population

<u>Year⁽¹⁾</u>	<u>County</u>	<u>% Change</u>	<u>State</u>	<u>% Change</u>
2024 Estimate	37,858	1.49%	3,503,613	1.75%
2023 Estimate	37,303	1.56	3,443,222	1.54
2022 Estimate	36,731	1.31	3,391,011	1.59
2021 Estimate	36,257	4.22	3,337,975	2.03
2020 Census	34,788	2.04	3,271,616	2.05
2019 Estimate	34,091	3.10	3,205,958	1.66
2018 Estimate	33,067	3.69	3,153,550	1.69
2017 Estimate	31,890	4.99	3,101,042	1.95
2016 Estimate	30,375	4.32	3,041,868	2.01
2015 Estimate	29,118	4.69	2,981,835	1.53

⁽¹⁾ 2020 census count is as of April 1; estimates are as of July 1 of the year given.
(Source: U.S. Census Bureau.)

Rate of Unemployment – Annual Average

<u>Year</u>	<u>County</u>	<u>State</u>	<u>United States</u>
2024	2.8%	3.2%	4.0%
2023	2.3	2.7	3.6
2022	2.2	2.4	3.6
2021	2.7	2.8	5.3
2020	6.2	4.8	8.1
2019	2.7	2.6	3.7
2018	3.0	2.9	3.9
2017	3.3	3.3	4.4
2016	3.4	3.4	4.9
2015	3.5	3.6	5.3

Not seasonally adjusted.

(Sources: Utah Department of Workforce Services and the U.S. Department of Labor.)

Economic Indicators in the County

LABOR FORCE	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Labor Force (annual average)	20,335	20,011	19,091	18,213	17,585
Employed (annual average)	19,766	19,546	18,665	17,716	16,501
Unemployed (annual average)	569	465	426	497	1,084
Average Employment (Non-Farm Jobs)	12,170	12,178	11,701	11,063	10,143
% Change Prior Year	-0.07	4.08	5.77	9.07	(0.51)
<i>Average Employment by Sector:</i>					
Agriculture, Forestry, Fishing/Hunting	0	65	0	0	0
Mining	0	8	9	0	0
Utilities	105	102	103	98	95
Construction	2,018	2,004	2,201	1,914	1,847
Manufacturing	640	525	502	457	426
Wholesale Trade	0	208	223	218	205
Retail Trade	1,421	1,408	1,381	1,361	1,262
Transportation and Warehousing	355	364	349	349	303
Information	70	81	88	77	69
Finance and Insurance	197	185	188	203	179
Real Estate and Rental and Leasing	254	264	232	202	193
Professional, Scientific & Tech Services	756	692	664	602	534
Management of Companies & Enterprises	52	48	48	46	36
Administrative, Support, Waste Management, & Remediation	464	656	424	410	381
Education Services	0	0	1,217	1,188	0
Health Care and Social Assistance	1,355	1,266	1,133	1,063	1,046
Arts, Entertainment, and Recreation	490	624	416	476	394
Accommodation and Food Services	1,391	1,482	1,548	1,417	1,216
Other Services & Unclassified	372	311	314	298	276
Public Administration	685	647	610	639	606
Total Establishments	1,666	1,586	1,546	1,547	1,429
Total Wages (\$Millions)	690.8	661.5	614.4	526.3	483.6
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
INCOME AND WAGES					
Total Personal Income (\$000)	n/a	\$3,430,409	\$3,161,895	\$2,859,887	\$2,424,049
Per Capita Income	n/a	92,354	86,398	78,902	69,150
Median Household Income	n/a	121,397	115,793	102,206	87,098
Average Monthly Nonfarm Wage	\$4,730	\$4,527	\$4,376	\$3,964	\$3,940
SALES & CONSTRUCTION					
Gross Taxable Sales (\$000,000)	\$1,396.5	\$1,319.4	\$1,309.1	\$1,108.7	\$889.5
New Dwelling Units	814	616	824	1,119	371
New Residential Value	510,532,224	424,958,837	408,521,976	410,622,672	143,383,373
New Nonresidential Value	57,436,493	77,958,549	33,158,572	25,790,704	13,500,735
Additions/Alterations/Repairs	55,325,906	39,049,465	60,739,823	21,551,909	11,573,206
Total Construction Value	623,294,623	541,966,851	502,420,371	457,965,285	168,457,314

(Sources: (1) Utah Department of Workforce Services; (2) U.S. Department of Commerce, Bureau of Economic Analysis, last updated October 2025; (3) Utah State Tax Commission; (4) University of Utah Bureau of Economic and Business Research.)

Major Employers in the County

The following is a list of some of the largest employers in the County based on annual averages.

<u>Company</u>	<u>Industry</u>	<u>Average Annual Employment</u>
Wasatch County School District	Public Education	1,000-1,999
Wasatch County	County Government	250-499
Heber Valley Medical Center	Health Care	250-499
Smith's	Supermarkets	250-499
Summit Line Construction	Utility System Construction	250-499
State Of Utah	State Government	100-249
Wal-Mart Associates	Warehouse Clubs/Supercenters	100-249
Redmond Minerals	Food Manufacturing	100-249
Red Ledges Golf Club	Amusement and Recreation	100-249
Heber City	City Government	100-249
Lee's Marketplace	Supermarkets	100-249
Rocky Mountain Care Heber	Nursing Care	50-99
Zermatt Resort	Hotels	50-99
Innovative Harbor	Vocational Rehabilitation Services	50-99
Spring Gardens Heber	Nursing Care Facilities	50-99
Heber Valley Historic Railroad	Sightseeing Transportation	50-99
Midway Mercantile	Full-Service Restaurants	50-99
New Focus Academy	Private Education	50-99
Dairy Keen	Restaurants	50-99
Millstream Properties	Real Estate and Rental and Leasing	50-99
Zermatt Resort & Spa	Hotels	50-99
The Fit Stop Health Club	Fitness and Recreational Sports Centers	50-99
Miro Industries	Fabricated Metal Product Manufacturing	50-99
Soldier Hollow	Arts, Entertainment, and Recreation	50-99
Redo Tech, Inc.	Custom Computer Programming	50-99
Karl Malone Chrysler Dodge Jeep Ram	Motor Vehicle and Parts Dealers	50-99
Country Garden's And Nursery	Nursery and Tree Production	50-99
Heber Hub	Restaurants	50-99
Timberline Ace Hardware	General Merchandise Retailers	50-99
Cafe Galleria	Restaurants	50-99
Cascade Academy	Health Care and Social Assistance	50-99
Rooftop Anchor	Fabricated Metal Product Manufacturing	50-99

(Source: Utah Department of Workforce Services; last updated October 2025.)

APPENDIX D

FORM OF CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the “Undertaking”) is executed and delivered by the Heber Light & Power Company (the “Issuer”) in connection with the issuance by the Issuer of its \$[] Electric Revenue Bonds, Series 2026 (the “Series 2026 Bonds”). The Series 2026 Bonds are being issued pursuant to (i) the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended and the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended; (ii) a Trust Indenture dated as of October 1, 2002, as heretofore amended and supplemented (the “Trust Indenture”), as further supplemented by a Sixth Supplemental Indenture of Trust dated as of February 1, 2026 (the “Sixth Supplemental Indenture,” and together with the Trust Indenture, the “Indenture”), each by and between the Issuer and U.S. Bank Trust Company, National Association, as successor trustee (the “Trustee”); (iii) resolutions adopted on October 22, 2025 and November 19, 2025, by the governing board of the Issuer; and (iv) other applicable provisions of law.

The Issuer covenants and agrees as follows:

Section 1. Purpose of the Undertaking. This Undertaking is being executed and delivered by the Issuer for the benefit of the Holders and Beneficial Owners of the Series 2026 Bonds and in order to assist the Participating Underwriter in complying with the Rule (as defined below). The Issuer is executing this Undertaking as an “obligated person” with the meaning of the Rule.

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Disclosure Report” shall mean any Annual Disclosure Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Undertaking.

“Beneficial Owner” shall mean any person who has the power, directly or indirectly, to vote or consent with respect to, or dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

“Dissemination Agent” shall mean the Issuer, or any successor Dissemination Agent designated in writing by the Issuer.

“Financial Obligation” means a (a) debt obligation, (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) guarantee of (a) or (b) in this definition; provided however, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Listed Events” shall mean any of the events listed in Section 5(a) or 5(b) of this Undertaking.

“MSRB” shall mean the Municipal Securities Rulemaking Board, the address of which is 1300 I Street, NW, Suite 1000, Washington DC 20005-3314; Telephone (202) 838-1500; Fax (202) 898-1500, and the website address of which is www.msrb.org and www.emma.msrb.org (for municipal disclosures and market data).

“Official Statement” shall mean the Official Statement of the Issuer dated [], 2026, relating to the Series 2026 Bonds.

“Participating Underwriter” shall mean the original Underwriter of the Series 2026 Bonds required to comply with the Rule in connection with offering of the Series 2026 Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Disclosure Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than July 31 of each year, commencing with a report for the fiscal year ending December 31, 2025, provide to the MSRB in an electronic format an Annual Disclosure Report which is consistent with the requirements of Section 4 of this Undertaking. In each case, the Annual Disclosure Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Undertaking; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Disclosure Report, and later than the date required above for the filing of the Annual Disclosure Report if they are not available by that date. If the Issuer's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(f).

(b) If by fifteen (15) Business Days prior to the date specified in Section 3(a) for providing the Annual Disclosure Report to the MSRB, the Dissemination Agent has not received a copy of the Annual Disclosure Report, the Dissemination Agent shall contact the Issuer to determine if the Issuer is in compliance with Section 3(a).

(c) If the Dissemination Agent is unable to verify that the Annual Disclosure Report has been provided to the MSRB by the dates required in Section 3(a), the Dissemination Agent (or the Issuer) shall, in a timely manner, send a notice of a failure to file the Annual Disclosure Report to the MSRB in an electronic format.

(d) The Dissemination Agent shall:

(i) determine each year prior to the dates for providing the Annual Disclosure Report, the website address to which the MSRB directs the Annual Report to be submitted; and

(ii) if the Dissemination Agent is other than an officer of the Issuer, file a report with the Issuer certifying that the Annual Disclosure Report has been provided pursuant to this Disclosure Undertaking, stating the date it was provided and listing the website address to which it was provided.

Section 4. Content of Annual Disclosure Reports. The Annual Disclosure Report shall contain or incorporate by reference the following:

(a) Copies of the Issuer's annual financial statements prepared in accordance with generally accepted accounting principles audited by a firm of independent certified public accountants. If the Issuer's audited annual financial statements are not available by the time specified in Section 3(a) above, unaudited financial statements will be provided as part of the Annual Disclosure Report and audited financial statements will be provided when and if available.

(b) An update of the financial information of the type contained in the Official Statement in the tables under the following headings:

- "THE SYSTEM—System Rates";
- "—Largest Customers of the Issuer";
- "—Selected Operating Information";
- "—Summary of Production Cost";
- "—Historical and Projected Debt Service Coverage
[but only as the same becomes historically available]"; and
- "—System Energy Resources for System Peak."

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document included by

reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5(a), the Issuer shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Series 2026 Bonds in a timely manner but not more than ten (10) Business Days after the event:

- (i) Principal and interest payment delinquencies;
- (ii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iii) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (iv) Substitution of credit or liquidity providers, or their failure to perform;
- (v) Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2026 Bonds, or other material events affecting the tax status of the Series 2026 Bonds;
- (vi) Defeasances;
- (vii) Tender offers;
- (viii) Bankruptcy, insolvency, receivership or similar proceedings;
- (ix) Rating changes; or
- (x) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

(b) Pursuant to the provisions of this Section 5(b), the Issuer shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Series 2026 Bonds in a timely manner not more than ten (10) Business Days after the Listed Event, if material:

- (i) Mergers, consolidations, acquisitions, the sale of all or substantially all of the assets of the obligated persons or their termination;
- (ii) Appointment of a successor or additional trustee or the change of the name of a trustee;
- (iii) Non-payment related defaults;
- (iv) Modifications to the rights of the owners of the Series 2026 Bonds;
- (v) Series 2026 Bond calls;
- (vi) Release, substitution or sale of property securing repayment of the Series 2026 Bonds; or
- (vii) Incurrence of a Financial Obligation of the Issuer or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect holders of the Series 2026 Bonds.

(c) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, whether because of a notice from the Trustee or otherwise, the Issuer shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the Issuer has determined that knowledge of the occurrence of a Listed Event would be material under applicable federal securities laws, the Issuer shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (f).

(e) If the Issuer determines that the Listed Event would not be material under applicable federal securities laws, the Issuer shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (f).

(f) If the Dissemination Agent has been instructed by the Issuer to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB.

Section 6. Termination of Reporting Obligation. The obligations of the Issuer under this Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2026 Bonds. If such termination occurs prior to the final maturity of the Series 2026 Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5(f).

Section 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent. The initial Dissemination Agent shall be the Issuer.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Undertaking, the Issuer may amend this Undertaking and any provision of this Undertaking may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, 5(a) or 5(b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Series 2026 Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 2026 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Series 2026 Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Series 2026 Bonds.

In the event of any amendment or waiver of a provision of this Undertaking, the Issuer shall describe such amendment in the next Annual Disclosure Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(f), and (ii) the Annual Disclosure Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Undertaking or any other means of communication, or including any other information in any Annual Disclosure Report or notice of occurrence of a Listed Event, in addition to that which is required by this Undertaking. If the Issuer chooses to include any information in any Annual Disclosure Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Undertaking, the Issuer shall have no obligation under this Undertaking to update such information or include it in any future Annual Disclosure Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Issuer to comply with any provision of this Undertaking, the Trustee may (and, at the request of any Participating Underwriter or the Holders of at least 25% aggregate principal amount of Outstanding Bonds, shall), or any Holder or Beneficial Owner may take such actions as may be necessary and appropriate to cause the Issuer to comply with its obligations under this Undertaking. A default under this Undertaking shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Undertaking in the event of any failure of the Issuer to comply with this Undertaking shall be an action to compel performance.

Section 11. Beneficiaries. This Undertaking shall inure solely to the benefit of the Trustee, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Series 2026 Bonds, and shall create no rights in any other person or entity.

Date: _____, 2026.

HEBER LIGHT & POWER COMPANY

By: _____
Chair, Board of Directors

APPENDIX E

PROPOSED FORM OF BOND COUNSEL OPINION

Upon the issuance of the Series 2026 Bonds, Gilmore & Bell, P.C., Bond Counsel to the Issuer, proposes to issue its approving opinion in substantially the following form:

Re: \$_____ Heber Light & Power, Utah Electric Revenue Bonds, Series 2026

We have acted as bond counsel to Heber Light & Power, Utah (the “Issuer”) in connection with the issuance by the Issuer by the Issuer of the above-captioned bonds (the “Bonds”). In this capacity, we have examined the law and such certified proceedings, certifications and other documents as we have deemed necessary to give the opinions below.

The Bonds are being issued pursuant to (i) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and other applicable provisions of law; (ii) resolutions of the Issuer adopted on October 22, 2025 and November 19, 2025; and (iii) a Trust Indenture dated as of October 1, 2002, as heretofore amended and supplemented (the “Trust Indenture”), as further supplemented by a Sixth Supplemental Indenture of Trust dated as of February 1, 2026 (the “Sixth Supplemental Indenture,” and together with the Trust Indenture, the “Indenture”), each by and between the Issuer and U.S. Bank Trust Company, National Association, as successor trustee (the “Trustee”). Under the Indenture, the Issuer has pledged certain revenues (the “Net Revenues”) for the payment of principal of, premium (if any), and interest on the Bonds when due.

Capitalized terms used and not otherwise defined in this opinion have the meanings assigned to those terms in the Indenture.

Regarding questions of fact material to the opinions below, we have relied on the representations of the Issuer contained in the Indenture, on the certified proceedings and other certifications of representatives of the Issuer and the certifications of others furnished to us without undertaking to verify them by independent investigation.

Based on the foregoing, we are of the opinion that:

1. The Issuer is validly existing as an energy services interlocal entity under the laws of the State of Utah (the “State”), which is a separate legal entity and political subdivision of the State with the power to execute the Indenture, perform the agreements on its part contained therein, and issue the Bonds.
2. The Indenture has been authorized, executed and delivered by the Issuer and constitutes a valid and binding agreement of the Issuer.
3. The Indenture creates a valid lien on the Net Revenues and other funds pledged by the Indenture for the security of the Bonds on a parity with other bonds, if any, issued or to be issued under the Indenture.
4. The Bonds have been duly authorized and executed by the Issuer, and are valid and binding limited obligations of the Issuer, payable solely from the Net Revenues and the other funds provided therefor in the Indenture. The Bonds do not constitute general obligations of the Issuer and do not constitute an indebtedness of the Issuer within the meaning of any State constitutional or statutory provision, limitation, or restriction. The Issuer has no taxing power.
5. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) (i) is excludable from gross income for federal income tax purposes and (ii) is not an item of tax preference for purposes of computing the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the Issuer complies with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds.

6. The interest on the Bonds is exempt from income taxation by the State.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Indenture may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting the rights and remedies of creditors, and by equitable principles, whether considered at law or in equity.

We express no opinion regarding (a) the accuracy, adequacy or completeness of the Official Statement or other offering material relating to the Bonds, except as may be set forth in our supplemental opinion of even date herewith, (b) the attachment, perfection, or priority of the lien on Revenues or other funds created by the Indenture, or (c) the tax consequences arising with respect to the Bonds other than as expressly set forth in this opinion letter.

The opinions given in this opinion letter are given as of the date set forth above, and we assume no obligation to revise or supplement them to reflect any facts or circumstances that may later come to our attention, or any changes in law that may later occur.

Respectfully submitted,

APPENDIX F

PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM

DTC will act as securities depository for the Series 2026 Bonds. The Series 2026 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Series 2026 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC or its agent.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2026 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2026 Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2026 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2026 Bonds, except in the event that use of the book-entry system for the Series 2026 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2026 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2026 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2026 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2026 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2026 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2026 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Series 2026 Bonds may wish to ascertain

that the nominee holding the Series 2026 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners.

Redemption notices shall be sent to DTC. If less than all of the Series 2026 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2026 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2026 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2026 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2026 Bonds at any time by giving reasonable notice to the Issuer or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.

**[APPENDIX G
SPECIMEN MUNICIPAL BOND INSURANCE POLICY]**

PRELIMINARY OFFICIAL STATEMENT DATED JANUARY [____], 2026

NEW ISSUE—Book-Entry Only

**[Insured Rating: S&P “___” ___ Insured]
Underlying Ratings: Moody’s “___” Fitch “___” (___)
(See “BOND RATINGS” herein.)**

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Issuer, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the Series 2026 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The Series 2026 Bonds are not “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code. Bond Counsel notes that interest on the Series 2026 Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that the interest on the Series 2026 Bonds is exempt from State of Utah individual income taxes. See “TAX MATTERS” in this Official Statement.



**\$[PAR]*
HEBER LIGHT & POWER COMPANY, UTAH
ELECTRIC REVENUE BONDS, SERIES 2026**

Dated: Date of Delivery

Due: December 15, as shown on the inside cover

The Electric Revenue Bonds, Series 2026 are issuable by the Heber Light & Power Company, Utah as fully registered bonds and when initially issued will be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Series 2026 Bonds. Purchases of Series 2026 Bonds will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, DTC participants. Owners of the Series 2026 Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Series 2026 Bonds. Interest on the Series 2026 Bonds is payable semiannually on June 15 and December 15 of each year, commencing [June 15, 2026], by U.S. Bank Trust Company, National Association, as Paying Agent, all as more fully described herein. Payment of the principal of and interest on the Series 2026 Bonds will be made directly to DTC or its nominee. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC participants. See “THE SERIES 2026 BONDS—Book-Entry System” herein.

The Series 2026 Bonds are subject to optional [and mandatory sinking fund redemption] prior to maturity. See “THE SERIES 2026 BONDS—Redemption” herein.

The Series 2026 Bonds are being issued to (i) finance capital improvements, including the construction of a power plant, a substation, and related improvements and (ii) pay costs of issuance of the Series 2026 Bonds.

The Series 2026 Bonds are special obligations of the Issuer payable only from Net Revenues of the System and certain funds and accounts as described herein. Neither the full faith and credit nor the taxing power of the State of Utah or any agency, instrumentality or political subdivision thereof is pledged for the payment of the principal of, premium, if any, or interest on the Series 2026 Bonds. The Series 2026 Bonds are not general obligations of the State of Utah or any agency, instrumentality or political subdivision thereof. The issuance of the Series 2026 Bonds shall not directly, indirectly, or contingently obligate the State of Utah or any agency, instrumentality or political subdivision thereof to levy any form of taxation therefor or to make any appropriation for the payment of the Series 2026 Bonds. See “SECURITY FOR THE BONDS” herein.

[The scheduled payment of principal of and interest on the Series 2026 Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Series 2026 Bonds by [Insurer] (“___”). [Insurer Logo]

The Series 2026 Bonds are offered when, as, and if issued by the Issuer and received by the Underwriter, subject to the approval of their legality by Gilmore & Bell, P.C., Bond Counsel to the Issuer. Certain matters will be passed upon for the Issuer by Gilmore & Bell, P.C., as disclosure counsel to the Issuer. Certain legal matters will be passed upon for the Issuer by Adam Long, general counsel to the Issuer. Certain matters will be passed upon for the Underwriter by Farnsworth Johnson PLLC. It is expected that the Series 2026 Bonds, in book-entry only form, will be available for delivery to DTC or its agent on or about [____], 2026].

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision. This Official Statement is dated [____], 2026], and the information contained herein speaks only as of that date.

STIFEL

\$[PAR]*
HEBER LIGHT & POWER COMPANY, UTAH
ELECTRIC REVENUE BONDS, SERIES 2026

MATURITIES, AMOUNTS, INTEREST RATES, AND PRICES OR YIELDS

<u>Due</u> <u>(December 15)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP**</u>
2026				42249T []
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041				
2042				
2043				
2044				
2045				
2046				
2047				
2048				
2049				
2050				

[\$ _____ % Term Bond Due December 15, 20 ____; Price _____% CUSIP** 42249T ____]

* Preliminary; subject to change.

** The above-referenced CUSIP numbers have been assigned by an independent company not affiliated with the parties to this bond transaction and are included solely for the convenience of the holders of the Series 2026 Bonds. None of the Issuer, the Trustee or the Underwriter is responsible for the selection or use of such CUSIP numbers, and no representation is made as to its correctness on the Series 2026 Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2026 Bonds as a result of various subsequent actions including but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities.

The information contained in this Official Statement has been furnished by the Issuer, DTC, [the Insurer,] and other sources that are believed to be reliable. No dealer, broker, salesperson, or other person has been authorized by the Issuer or the Underwriter to give any information or to make any representations other than those made herein. Any such other information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy, nor shall there be any sale of the Series 2026 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinions herein are subject to change without notice and neither the delivery of this document nor the sale of any of the bonds shall, under any circumstances, create any implication that the information herein is correct as of any time subsequent to the date hereof.

The Series 2026 Bonds will not be registered under the Securities Act of 1933, as amended, or any state securities law and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any state securities commission has passed upon the accuracy or adequacy of this document. Any representation to the contrary is unlawful.

All inquiries relating to this Official Statement and the offering contemplated herein should be directed to the Underwriter. Prospective investors may obtain additional information which they may reasonably require in connection with the decision to purchase any of the Series 2026 Bonds from the Underwriter or the contact persons listed herein.

The prices or yields at which the Series 2026 Bonds are offered to the public may vary from the initial reoffering prices or yields on the inside cover page of this Official Statement. In addition, the Underwriter may allow concessions or discounts from the initial offering prices of the bonds to dealers and others. In connection with the offering of the Series 2026 Bonds, the Underwriter may effect transactions that stabilize or maintain the market price of the Series 2026 Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Certain statements included or incorporated by reference in this Official Statement constitute “forward looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “project,” “budget,” or other similar words. Forward-looking statements are included in the Official Statement under the captions “INTRODUCTION,” “ESTIMATED SOURCES AND USES OF FUNDS,” “THE SERIES 2026 PROJECT,” “THE SYSTEM,” and “CERTAIN FACTORS AFFECTING THE ELECTRIC UTILITY INDUSTRY,” but are not solely limited to said sections. The forward-looking statements in this Official Statement are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.

The Issuer maintains a website; however, the information presented there is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Series 2026 Bonds.

[Insurer statement]

\$[PAR]*
HEBER LIGHT & POWER COMPANY, UTAH
ELECTRIC REVENUE BONDS, SERIES 2026

31 South 100 West
Heber, Utah 84032
(435) 654-1581

BOARD OF DIRECTORS⁽¹⁾

Heidi Franco	Director and Chair
Aaron Cheatwood	Director
Brenda Christensen	Director
Kendall Crittenden	Director
Sid Ostergaard	Director
Kevin Payne	Director

ADMINISTRATION

Jason Norlen	General Manager
Bart Miller	Chief Financial Officer
Adam Long	General Counsel
Rylee Allen	Board Secretary

TRUSTEE, PAYING AGENT & REGISTRAR

U.S. Bank Trust Company, National Association
170 South Main Street, Suite 600
Salt Lake City, Utah 84101
(801) 534-6051

UNDERWRITER

Stifel, Nicolaus & Company, Incorporated
15 West South Temple, Suite 1090
Salt Lake City, Utah 84101
(385) 799-7231

BOND & DISCLOSURE COUNSEL

Gilmore & Bell, P.C.
15 West South Temple, Suite 1400
Salt Lake City, Utah 84101
(801) 364-5080

MUNICIPAL ADVISOR

LRB Public Finance Advisors, Inc.
41 North Rio Grande, Suite 101
Salt Lake City, Utah 84101
(801) 596-0700

* Preliminary; subject to change.

(1) Changes to the Board are anticipated to occur in January 2026. [*The list of Directors will be updated.*]

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OFFICIAL STATEMENT
RELATING TO
\$[PAR]*
HEBER LIGHT & POWER COMPANY, UTAH
ELECTRIC REVENUE BONDS, SERIES 2026

INTRODUCTION

This Official Statement, including the cover pages, introduction, and appendices, provides information regarding the issuance and sale by the Heber Light & Power Company, Utah (the “Issuer”) of its \$[PAR]* Electric Revenue Bonds, Series 2026 (the “Series 2026 Bonds”), initially issued in book-entry form only. This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover pages and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of the Series 2026 Bonds to potential investors is made only by means of the entire Official Statement.

See also the following appendices attached hereto: “APPENDIX A—HEBER LIGHT & POWER COMPANY AUDITED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 2024 AND 2023,” “APPENDIX B—EXTRACTS OF CERTAIN PROVISIONS OF THE INDENTURE,” “APPENDIX C—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING WASATCH COUNTY,” “APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING,” “APPENDIX E—PROPOSED FORM OF BOND COUNSEL OPINION,” “APPENDIX F—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM” [and “APPENDIX G—SPECIMEN MUNICIPAL BOND INSURANCE POLICY.”]

The Issuer and the System

The Issuer is an energy services interlocal entity under the laws of the State of Utah (the “State”), which is a separate legal entity and political subdivision of the State. In 1909, Heber City, Midway City and Charleston Town (the “Members”) jointly issued bonds for the construction of the Heber hydroelectric power plant and began providing service in the Heber Valley. In 1935, the Members formalized their oral agreements and organized the Issuer. In 2002, the Members signed an Organization Agreement setting forth the Issuer’s corporate powers, governance structure and related matters. Under the Organization Agreement, the Issuer is authorized to provide local electric utility service to all retail consumers located within its service area.

The Issuer owns and operates an electric generation and distribution system (the “System”) which provides electric service to approximately 16,136 customers in the area of Heber Valley in Wasatch County, Utah (the “County”). The service area of the System currently covers 172 square miles; in addition to the municipalities of Heber City, Midway City and Charleston Town, the Issuer’s service area also includes the towns of Daniel, Independence, and Interlaken, as well as certain unincorporated areas of the County. The Issuer currently owns and operates hydroelectric and natural gas generating units with a combined generating capacity of approximately 19.5 megawatts (“MW”).

For additional information regarding the Issuer, see “THE ISSUER,” “APPENDIX A—HEBER LIGHT & POWER COMPANY AUDITED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 2024 AND 2023,” and, regarding the general area in which the Issuer is located, “APPENDIX C—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING WASATCH COUNTY,” all herein.

* Preliminary; subject to change.

For more information regarding the System and certain matters affecting the electric utility industry in general, see “THE SYSTEM” and “CERTAIN FACTORS AFFECTING THE ELECTRIC UTILITY INDUSTRY” herein.

Authority and Purpose

The Series 2026 Bonds are being issued pursuant to (i) the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended and the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (together, the “Act”); (ii) a Trust Indenture dated as of October 1, 2002, as heretofore amended and supplemented (the “Trust Indenture”), as further supplemented by a Sixth Supplemental Indenture of Trust dated as of February 1, 2026 (the “Sixth Supplemental Indenture,” and together with the General Indenture, the “Indenture”), by and between the Issuer and U.S. Bank Trust Company, National Association, as successor trustee (the “Trustee”); (iii) resolutions adopted on October 22, 2025 and November 19, 2025, by the governing board (the “Board”) of the Issuer authorizing the issuance and the sale of the Series 2026 Bonds and the execution and delivery of the Indenture (together, the “Resolution”); and (iv) other applicable provisions of law.

The Series 2026 Bonds are being issued for the purpose of providing funds to (i) finance capital improvements, including the construction of a power plant, a substation, and related improvements (collectively, the “Series 2026 Project”) and (ii) pay costs of issuance of the Series 2026 Bonds. See “THE SERIES 2026 PROJECT.”

Security for and Sources of Payment

The Series 2026 Bonds are special obligations of the Issuer and are payable from the Net Revenues (the Revenues less Operation and Maintenance Costs) generated by the sale of the electric utility services provided by the System. The Indenture pledges the Net Revenues to the payment of the Series 2026 Bonds and to pay other costs and to provide certain reserves related to the System. See “SECURITY FOR THE BONDS—Pledge of the Indenture.”

The Issuer has covenanted in the Indenture to establish and collect rates and charges for System services that are expected to yield Net Revenues (the Revenues less Operation and Maintenance Costs) equal to at least 125% of the Aggregate Debt Service on all outstanding Bonds in each year. See “SECURITY FOR THE BONDS— Rate Covenant.”

The Series 2026 Bonds are not an obligation of the State, the County, the Members, or any political subdivision other than the Issuer. Neither the faith and credit nor the taxing power of the State or any of its political subdivisions, including the Members, is pledged to the Bonds. The Issuer has no taxing power. THE INDENTURE DOES NOT MORTGAGE ANY SYSTEM PROPERTIES TO SECURE THE PAYMENT OF THE SERIES 2026 BONDS.

[Bond Insurance]

[The scheduled payment of principal of and interest on the Series 2026 Bonds, when due, will be guaranteed under an insurance policy (the “Policy”) to be issued concurrently with the delivery of the Series 2026 Bonds by [Insurer] (“_____” or the “Insurer”). See “BOND INSURANCE” and “APPENDIX G—SPECIMEN MUNICIPAL BOND INSURANCE POLICY” herein.]

Outstanding Parity Bonds and Additional Bonds

The Issuer has previously issued and has outstanding under the Indenture its (i) Electric Revenue and Refunding Bonds, Series 2019 (the “Series 2019 Bonds”) and (ii) Electric Revenue Bonds, Series 2023 (the “Series 2023 Bonds”) and together with the Series 2019 Bonds, the “Outstanding Parity Bonds”), currently outstanding in the total principal amount of \$43,990,000.

The Issuer may issue additional bonds (the “Additional Bonds”) payable on a parity with the Outstanding Parity Bonds and the Series 2026 Bonds upon complying with certain requirements set forth in the Indenture. Such

Additional Bonds together with the Outstanding Parity Bonds and the Series 2026 Bonds, are sometimes collectively referred to herein as the “Bonds.” See “SECURITY FOR THE BONDS— Additional Bonds” herein.

Debt Service Reserve Account

The Indenture establishes a Series 2026 Debt Service Reserve Subaccount within the Debt Service Reserve Account which is required to be funded in an amount equal to the Debt Service Reserve Requirement taking into account the issuance of the Series 2026 Bonds. [The Indenture authorizes the Issuer to obtain a surety bond in place of fully funding the Series 2026 Debt Service Reserve Subaccount. The Series 2026 Debt Service Reserve Subaccount will be satisfied by a Reserve Instrument (the “Surety”) to be provided by the Insurer.] See “SECURITY FOR THE BONDS—Debt Service Reserve Account” herein.

Redemption

The Series 2026 Bonds are subject to optional [and sinking fund redemption] prior to maturity. See “THE SERIES 2026 BONDS—Redemption” herein.

Registration, Denomination, Manner of Payment

The Series 2026 Bonds are issuable only as fully registered bonds without coupons and, when initially issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository for the Series 2026 Bonds. Purchases of Series 2026 Bonds will be made in book-entry-only form, in the principal amount of \$5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, DTC Participants. Beneficial Owners of the Series 2026 Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Series 2026 Bonds.

Principal of and interest on the Series 2026 Bonds (interest payable June 15 and December 15, of each year, commencing June 15, 2026) are payable through U.S. Bank Trust Company, National Association, as Paying Agent, to the registered owners of the Series 2026 Bonds. So long as DTC is the registered owner, it will in turn remit such principal and interest to its Participants for subsequent disbursements to the Beneficial Owners of the Series 2026 Bonds. See “THE SERIES 2026 BONDS—Book-Entry-Only System” herein.

Transfer or Exchange

So long as the book-entry system is in effect, beneficial owners may transfer their interests in the Series 2026 Bonds through the book-entry system. In the event of a discontinuance of the book-entry system, the Series 2026 Bonds may be transferred or exchanged as described herein. See “THE SERIES 2026 BONDS—General” herein.

Tax-Exempt Status

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Issuer, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”), the interest on the Series 2026 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax. The Series 2026 Bonds are not “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code. Bond Counsel notes that interest on the Series 2026 Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that the interest on the Series 2026 Bonds is exempt from State of Utah individual income taxes. See “TAX MATTERS” in this Official Statement. Bond Counsel expresses no opinion regarding any other tax consequences relating to ownership or disposition of or the accrual or receipt of interest on the Series 2026 Bonds.

Conditions of Delivery, Anticipated Date, Manner and Place of Delivery

The Series 2026 Bonds are offered when, as, and if issued and received by the Underwriter subject to the approval of legality by Gilmore & Bell, P.C., Bond Counsel to the Issuer, and certain other conditions. Certain matters will be passed on for the Issuer by Gilmore & Bell, P.C., as disclosure counsel to the Issuer. Certain legal matters will be passed on for the Issuer by Adam Long, general counsel to the Issuer. Certain matters will be passed upon for the Underwriter by Farnsworth Johnson PLLC. It is expected that the Series 2026 Bonds will be available for delivery to DTC in book-entry form on or about February [____], 2026.

Basic Documentation

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Brief descriptions of the Issuer, the Series 2026 Bonds, and the Indenture are included in this Official Statement. Such descriptions do not purport to be comprehensive or definitive. All references herein to the Indenture are qualified in their entirety by reference to such document, and references herein to the Series 2026 Bonds are qualified in their entirety by reference to the form thereof included in the Indenture and the information with respect thereto included in the aforementioned document, copies of which are available for inspection at the principal office of the Trustee on or after the delivery of the Series 2026 Bonds. During the period of the offering of the Series 2026 Bonds, copies of the preliminary form of such document will be available from the “Contact Persons” as indicated below. Also see “APPENDIX B—EXTRACTS OF CERTAIN PROVISIONS OF THE INDENTURE” below.

Contact Persons

As of the date of this Official Statement, the chief contact person for the Issuer concerning the Series 2026 Bonds is:

Bart Miller, Chief Financial Officer
Heber Light & Power Company
31 South 100 West
Heber City, Utah 84032
(435) 654-1581
bmiller@heberpower.gov

Additional requests for information may be directed to the following representative of the Municipal Advisor:

Laura Lewis, Principal
LRB Public Finance Advisors, Inc.
41 North Rio Grande, Suite 101
Salt Lake Issuer, Utah 84101
(801) 596-0700
laura@lrbfinance.com

[BOND INSURANCE]

[To be determined.]

THE SERIES 2026 BONDS

General

The Series 2026 Bonds are dated the date of their initial delivery and except as otherwise provided in the Indenture, shall bear interest from said date. Interest on the Series 2026 Bonds will be payable semiannually on June 15 and December 15 of each year, commencing June 15, 2026. Interest on the Series 2026 Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months. The Series 2026 Bonds shall bear interest at the rates and shall mature on the dates and in the amounts as set forth on the inside front cover of this Official Statement. The Series 2026 Bonds will be issued as fully registered bonds, initially in book-entry form, in denominations of \$5,000 or any integral multiple thereof, not exceeding the amount of each maturity. So long as the book-entry system is in effect, beneficial owners may transfer their interests in the Series 2026 Bonds through the book-entry system. In the event of a discontinuance of the book-entry system, the Series 2026 Bonds may be transferred or exchanged as described below.

When the book-entry system is no longer in effect with respect to the Series 2026 Bonds and in all cases in which the privilege of exchanging or transferring the Series 2026 Bonds is exercised, the Issuer shall execute, and the Trustee shall authenticate and deliver, the Series 2026 Bonds in accordance with the provisions of the Indenture. For every such exchange or transfer of the Series 2026 Bonds, the Issuer or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer of the Series 2026 Bonds, and to pay any service charge of the Trustee.

The Issuer, the Trustee and any Transfer Agent shall not be required (1) to issue, register the transfer of or exchange any Series 2026 Bond during the period beginning on a Record Date applicable thereto and ending on the next succeeding Interest Payment Date or during a period beginning at the opening of business fifteen days before the date of the mailing of a notice of redemption of Series 2026 Bonds selected for redemption under the Indenture and ending at the close of business on the day of such mailing, or (2) to register the transfer of or exchange any Series 2026 Bond so selected for redemption in whole or in part, except the unredeemed portion of Bonds being redeemed in part. For purposes of the Series 2026 Bonds, "Record Date" means the first day of the month next preceding each Interest Payment Date.

Redemption

Optional Redemption. The Series 2026 Bonds maturing on or before December 15, 20____, are not subject to optional redemption prior to maturity. The Series 2026 Bonds maturing on or after December 15, 20____, are subject to redemption prior to maturity in whole or in part at the option of the Issuer on December 15, 20____, or on any date thereafter prior to maturity, in whole or in part, from such maturities or parts thereof as may be selected by the Issuer at a redemption price equal to 100% of the principal amount of the Series 2026 Bonds to be redeemed plus accrued interest, if any, thereon to the date of redemption.

[Mandatory Sinking Fund Redemption. The Series 2026 Bonds maturing on December 15, 20____, are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof plus accrued interest thereon to the redemption date on the dates and in the principal amounts as follows:

Mandatory Sinking Fund
Redemption Date
(December 15)

Mandatory Sinking Fund
Redemption Amount

* Final Maturity Date

Upon redemption of any Series 2026 Bonds maturing on December 15, 20____, other than by application of such mandatory sinking fund redemption, an amount equal to the principal amount so redeemed will be credited

toward a part or all of any one or more of such mandatory sinking fund redemption amounts for the Series 2026 Bonds maturing on December 15, 2047, in such order of mandatory sinking fund date as shall be directed by the Issuer.]

Selection for Redemption. If fewer than all the Series 2026 Bonds are to be redeemed, the particular maturities of such Bonds to be redeemed and the Principal amounts of such maturities to be redeemed shall be selected by the Issuer. If fewer than all of the Bonds of any one maturity of the Series 2026 Bonds shall be called for redemption, the particular units of such Bonds, as determined in accordance with the following paragraph, to be redeemed shall be selected by the Trustee by lot in such manner as the Trustee, in its discretion, may deem fair and appropriate.

In case any Series 2026 Bond shall be redeemed in part only, upon the presentation of such Series 2026 Bond for such partial redemption the Issuer shall execute and the Trustee shall authenticate and shall deliver or cause to be delivered to or upon the written order of the Registered Owner thereof, at the expense of the Issuer, a Bond or Bonds of the same series, interest rate, and maturity, in aggregate principal amount equal to the unredeemed portion of such Series 2026 Bond. The portion of any Series 2026 Bond of a denomination of more than \$5,000 to be redeemed will be in the principal amount of \$5,000 or an integral multiple thereof and in selecting portions of such Series 2026 Bonds for redemption, each such Series 2026 Bond shall be treated as representing that number of Series 2026 Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Series 2026 Bonds by \$5,000.

Notice of Redemption. In the event any of the Series 2026 Bonds are called for redemption as aforesaid, notice thereof identifying the Series 2026 Bonds to be redeemed will be given by the Trustee, by mailing a copy of the redemption notice by first-class mail, postage prepaid, not less than 30 nor more than 60 days prior to the date fixed for redemption to the Registered Owner of each Series 2026 Bond to be redeemed at the address shown on the registration books; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceeding for the redemption of any Series 2026 Bond with respect to which no such failure has occurred. Any notice mailed as provided in this paragraph shall be conclusively presumed to have been duly given, whether or not the Registered Owner receives the notice. All Series 2026 Bonds so called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment at that time.

If at the time of mailing of any notice of optional redemption there is not on deposit with the Trustee moneys sufficient to redeem all the Bonds called for redemption, such notice shall state that such redemption shall be conditioned upon receipt by the Trustee on or prior to the date fixed for such redemption of moneys sufficient to pay the principal of and interest on such Bonds to be redeemed and that if such moneys shall not have been so received said notice will be of no force and effect and the Issuer will not be required to redeem such Bonds. In the event that such moneys are not so received, the redemption will not be made and the Trustee will within a reasonable time thereafter give notice, one time, in the same manner in which the notice of redemption was given, that such moneys were not so received.

Book-Entry Only System

The Series 2026 Bonds originally will be issued solely in book-entry form to The Depository Trust Company or its nominee, Cede & Co., to be held in DTC's book-entry only system. So long as such Series 2026 Bonds are held in the book-entry only system, DTC or its nominee will be the registered owner or Holder of such Series 2026 Bonds for all purposes of the Indenture, the Series 2026 Bonds and this Official Statement. Purchases of beneficial ownership interests in the Series 2026 Bonds may be made in the denominations described above. For a description of the book-entry system for the Series 2026 Bonds, see "APPENDIX F—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM."

THE SERIES 2026 PROJECT

A portion of the proceeds of the Series 2026 Bonds will be used to finance all or a portion of capital improvements to the System, including the construction of a power plant, a substation, and related improvements, as described in more detail below.

The Issuer plans to use proceeds of the Series 2026 Bonds to finance six key projects that have been identified as critical to the System. Permitting, regulatory and environmental factors as well as load growth patterns could alter the list of projects and their priority levels. The main project is the replacement of an old peaking plant. That plant had four units which operated between 1.5 and 2.5 MW each. The new plant is currently designed to contain six natural gas units with an operating capacity of 1.5 to 3.5 MW each. The second project is the upgrade and rebuild of a substation supporting the generation of electricity in two of the plants of the System. The existing substation configuration has limited capacity and is in need of operational controls for both safety and reliability. Proceeds of the Series 2026 Bonds will also be used for improvements to three other substations for either long-lead material acquisitions, engineering services, or land purchase elements. One of those substations is an existing station that needs to be upgraded from 46kVA to 138kVA. The other two are new load serving substations on opposites sides of the service territory necessary to serve the proposed loads of some currently contemplated developments. Finally, a portion of Series 2026 Bond proceeds will be used to complete the second phase of a new office building.

In addition to or in place of the improvements and additions identified above, the Issuer reserves the right under the Indenture to use the proceeds of the Series 2026 Bonds for any qualified purpose, including additional general improvements, additions and extensions to the Issuer's distribution system. Under the Indenture, the "Cost of Construction" includes all costs of the Issuer properly allocable to the acquisition, construction and placing in service of any part of the Series 2026 Project and all preliminary and incidental expenses, all engineering, fiscal, underwriting, consulting, technical, financing and legal expenses and costs of issuance.

ESTIMATED SOURCES AND USES OF FUNDS

Sources of Funds

Par Amount of the Series 2026 Bonds\$ _____
[Net] Reoffering Premium..... _____
Total\$ _____

Uses of Funds

Deposit to Construction Fund⁽¹⁾.....\$ _____
Costs of Issuance⁽²⁾..... _____
Total\$ _____

⁽¹⁾ [Includes \$ _____ for capitalized interest on the Series 2026 Bonds through _____, 20____.]

⁽²⁾ Includes Underwriter's discount, legal, rating agency, trustee, registrar and paying agent fees, [Policy premium and Surety fee], and other costs incurred in connection with the issuance and sale of the Series 2026 Bonds.

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**DEBT SERVICE SCHEDULE FOR THE SERIES 2026 BONDS
AND THE OUTSTANDING PARITY BONDS**

The following table sets forth the debt service schedule with respect to the Series 2026 Bonds and the Outstanding Parity Bonds. See “THE ISSUER—Outstanding Obligations of the Issuer.” [*LRB to confirm debt service for Outstanding Parity Bonds.*]

Calendar <u>Year</u>	Series 2026 Bonds		Outstanding Parity Bonds ⁽²⁾	<u>Total</u>
	<u>Principal</u> *	<u>Interest</u> ⁽¹⁾		
2026			\$3,556,000	
2027			3,558,500	
2028			3,542,250	
2029			3,568,000	
2030			3,548,500	
2031			3,575,750	
2032			3,547,250	
2033			3,540,500	
2034			3,539,250	
2035			3,543,650	
2036			2,988,500	
2037			2,986,000	
2038			2,984,700	
2039			2,989,400	
2040			2,989,650	
2041			2,985,400	
2042			2,986,650	
2043			2,982,950	
2044			2,989,300	
2045			2,985,000	
2046			2,100,250	
2047			2,100,000	
2048			—	
2049			—	
2050			—	
Total			<u>\$69,587,450</u>	

(1) [Interest on the Series 2026 Bonds will be paid from capitalized interest through _____ 15, 20____.]

(2) Includes principal and interest; amounts have been rounded.

* Preliminary; subject to change.

(Source: The Municipal Advisor.)

SECURITY FOR THE BONDS

Pledge of the Indenture

The Series 2026 Bonds and any other Bonds issued pursuant to the Indenture are secured equally and ratably by a pledge of (a) the Net Revenues and (b) the funds established by the Indenture (except the Rebate Fund), including the investments thereof. The Series 2026 Bonds are special limited obligations of the Issuer and are payable exclusively from the Net Revenues, moneys, funds and accounts held under the Indenture. As defined under the Indenture, “Net Revenues” means the Revenues after provision has been made for the payment therefrom of Operation and Maintenance Expenses.

The Revenues consist of amounts received by the Issuer from or attributable to the System, the sale of the output, capacity, or services of the System, and certain other proceeds and earnings, as set forth in the Indenture. See “APPENDIX B—EXTRACT OF CERTAIN PROVISIONS OF THE INDENTURE—Definitions” herein.

The Series 2026 Bonds do not constitute general obligations of the State, the Members, or any other political subdivision of the State, other than the Issuer, and neither the faith and credit nor the taxing power of the State or any political subdivision thereof, including the Members, is pledged for the payment of the Series 2026 Bonds. The Indenture does not pledge any System properties, including the Series 2026 Project.

For a description of the System, rates and charges for services provided by the System and moneys available for use in connection with the System, see “THE SYSTEM.”

Debt Service Reserve Account

The Indenture provides that the Debt Service Reserve Account will be funded in an amount equal to the Debt Service Reserve Requirement upon the issuance of each Series of Bonds. The Debt Service Reserve Requirement is an amount equal to the least of (i) the sum of ten percent of the original principal amount of each Series of Bonds (subject to reduction upon any refunding of all or part of a Series of Bonds), (ii) the Maximum Annual Debt Service on the Bonds and (iii) 125% of the Average Annual Debt Service on the Bonds. Upon the issuance of the Series 2026 Bonds, the Debt Service Reserve Requirement will be increased to include the Series 2026 Bonds. The Indenture establishes a Series 2026 Debt Service Reserve Subaccount [and authorizes the Issuer to obtain a Reserve Instrument in place of fully funding the Debt Service Reserve Requirement. [The Series 2026 Debt Service Reserve Subaccount, will be satisfied by the Surety to be provided by the Insurer.] Thereafter, the Issuer will replenish the Debt Service Reserve Account as provided in the Indenture.

Funds on deposit in the Debt Service Reserve Account shall be used to make up any deficiencies in any Series Subaccount in the Debt Service Account. Funds at any time on deposit in the Debt Service Reserve Account in excess of the amount required to be maintained therein may at any time be transferred to the Revenue Fund. If at any time the amount on deposit in the Debt Service Reserve Account is less than the minimum amount to be maintained therein, the Issuer is required to make payment, solely from Net Revenues and in the order and priority set forth as described under “APPENDIX B—EXTRACTS OF CERTAIN PROVISIONS OF THE INDENTURE—Flow of Funds” and “—Operation of Special Funds and Accounts” below, such amount of money remaining in the Revenue Fund or all of the Net Revenues so remaining if less than the amount necessary until there is an amount on deposit in the Debt Service Reserve Account equal to the Debt Service Reserve Requirement.

Application of Revenues

Deposit of Revenues. The Indenture requires that all Revenues be promptly deposited by the Issuer into the Revenue Fund.

Payment of Operation and Maintenance Costs; Working Capital. From time to time, the Issuer will pay the Operation and Maintenance Costs out of the Revenue Fund, as such costs become due and payable. Under the Indenture, the Issuer has agreed to maintain on file with the Trustee a written certificate setting forth the amount of working capital reasonably required for efficient operation and maintenance of the System, which amount shall be not

less than two months' average Operation and Maintenance Costs. Such certificate may be revised from time to time as deemed necessary or desirable by the Issuer.

Flow of Funds. On or before the last Business Day of each month (and at such other times as may be necessary to provide for the full and timely payment of all Bond Payments), the Issuer shall, after the payment of all Operation and Maintenance Costs then due, from and to the extent of the moneys on deposit in the Revenue Fund, transfer and deposit into the following Funds the amounts set forth below in the following order:

first, into the Bond Fund for credit to the Debt Service Account, the amount required so that the balance in each of the Series Subaccounts in the Debt Service Account shall equal the Accrued Debt Service on the Series of Bonds for which such Series Subaccount was established;

second, into the Bond Fund for credit to the Debt Service Reserve Account, such amount as is necessary to restore the balance to the Debt Service Reserve Requirement following any withdrawal of moneys from the Debt Service Reserve Account or to reimburse the issuer of any Reserve Instrument following any drawing on it;

third, into the Subordinated Indebtedness Fund, such amount as is necessary to pay timely the principal of and interest on, or other payment obligations in respect of, Subordinated Indebtedness and reserves therefor, as provided in the resolution, indenture or other instrument, including a Supplemental Indenture, securing Subordinated Indebtedness; and

fourth, into the Renewal and Replacement Fund such amount as shall be necessary so as to cause the amount set forth in the Annual Budget for the then-current Fiscal Year to be deposited into the Renewal and Replacement Fund by the end of such Fiscal Year.

Amounts remaining on deposit in the Revenue Fund after the transfers described above may be transferred from time to time by the Issuer into the Rate Stabilization Fund; provided, however, that after any such transfer (1) the sum of the amounts on deposit in the Revenue Fund and the Debt Service Account shall equal the Accrued Debt Service on all Series of Bonds Outstanding, (2) the Debt Service Reserve Requirement shall be on deposit in the Debt Service Reserve Account, and (3) the required amounts of working capital shall be on deposit in the Revenue Fund. Amounts in the Rate Stabilization Fund may be used for any lawful purpose of the Issuer.

Rate Covenant

Pursuant to the Indenture, the Issuer has covenanted to at all times establish and collect rates and charges for the services provided by the System to provide Revenues at least sufficient in each Fiscal Year, together with other available funds, for the payment of the sum of (1) the Operation and Maintenance Costs for such Fiscal Year, (2) the Aggregate Debt Service for such Fiscal Year, plus a margin of 25%, (3) any Repayment Obligations owed to the issuer of a Security Instrument or a Reserve Instrument and coming due during such Fiscal Year, (4) the amount, if any, to be paid during such Fiscal Year into the Debt Service Reserve Account, and (5) all other charges or amounts payable out of the Revenues.

Rates fixed and charged for the energy distributed by the Issuer are established by resolution of the Board and are not subject to the approval of any State or federal regulatory body. See "THE SYSTEM—System Rates" below.

Additional Bonds

The Indenture permits the issuance of Additional Bonds to finance the Cost of Construction of a Project, or to refund any outstanding Bonds. The Issuer has reserved the right under the Indenture to issue Additional Bonds for the purpose of (1) providing for the payment of all or a portion of (a) the Cost of Construction of a Project, (b) principal and Redemption Price of Bond Anticipation Notes, or (c) any combination of (a) and (b), or (2) to refund any outstanding Bonds, on the terms and conditions specified in the Indenture.

Among other requirements for the issuance of Additional Bonds to finance construction of a project, the Adjusted Net Revenues of the Issuer for its immediately preceding Fiscal Year or for any Year within the 18 calendar months prior to the authentication and delivery of such Additional Bonds must be not less than 1.25 times the Maximum Annual Debt Service with respect to all Bonds to be Outstanding after the issuance of the proposed Additional Bonds. See “EXTRACTS OF CERTAIN PROVISIONS OF THE INDENTURE–Issuance of Bonds” in APPENDIX B hereto.

Any Additional Bonds issued will rank equally as to security and payment with the Series 2026 Bonds and any Outstanding Parity Bonds. See “EXTRACTS OF CERTAIN PROVISIONS OF THE INDENTURE–Issuance of Bonds” in APPENDIX B hereto.

THE ISSUER

General Information

The Issuer is an energy services interlocal entity under State law, which is a separate legal entity and political subdivision of the State. In 1909, Heber City, Midway City and Charleston Town (the “Members”) jointly issued bonds for the construction of the Heber hydroelectric power plant and began providing electrical service in the Heber Valley. In 1935, the Members formalized their oral agreements and organized the Issuer. In 2002, the Members signed an Organization Agreement setting forth the Issuer’s corporate powers, governance structure and related matters. Under the Organization Agreement, the Issuer is authorized to provide local electric utility service to all retail consumers located in its service area.

The Interlocal Cooperation Act

The Issuer has been organized and operates as a separate legal entity and a political subdivision of the State under the Utah Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended (the “Interlocal Act”). The Interlocal Act authorizes local governments (or “public agencies”) to enter into interlocal agreements with one another for the joint exercise of their powers. The intent of the Interlocal Act is to enable public agencies in Utah to make the most efficient use of their powers by enabling them to cooperate with one another on the basis of mutual advantage to provide services and facilities that will best accommodate the needs and development of local communities. The purposes of the Interlocal Act also include providing the benefits of economy of scale, economic development, and utilization of natural resources for the overall promotion of the general welfare of the State.

A separate legal entity (or “interlocal entity”) may be organized under the Interlocal Act by two or more State public agencies in order to accomplish their joint or cooperative action. An interlocal entity is a separate entity from the public agencies that create it, and is a body corporate and politic and a political subdivision of the State.

The Interlocal Act was amended in 2002 to provide for the creation of electric interlocal entities to undertake certain electric generation and transmission projects and of energy services interlocal entities to provide comprehensive electric energy services at wholesale or retail. The Issuer’s Organization Agreement was revised to constitute the Issuer as an energy services interlocal entity.

The Organization Agreement

In 1909, the Members jointly issued bonds for the construction of the Heber hydroelectric power plant and began providing service in the Heber Valley. In 1935, the Members formalized their oral agreements and organized the Issuer. This agreement was amended and restated by the Members from time to time over the years; however, in 2002 the Members entered into a new Organization Agreement for the Issuer, which was later amended in March 2010 and again in October 2014. The Organization Agreement serves as the articles of incorporation for the Issuer and it specifies the Issuer’s organization, governance and powers. The Organization Agreement provides for the perpetual existence of the Issuer.

Under the Organization Agreement, the Issuer is organized as an interlocal entity and an energy services interlocal entity under the Interlocal Act. Its powers include all powers conferred upon interlocal entities and energy services interlocal entities by the Act and various other powers listed in the Organization Agreement. Those powers include the following:

- to sue and be sued, to enter into contracts, to acquire and sell real and personal property and to exercise the powers of eminent domain possessed by the Members;
- to own and operate all facilities necessary or desirable for the generation, transmission, transportation and distribution of electric energy and related fuel supplies;
- to contract for supplies of electric power and energy, ancillary services and electric transmission and fuel transportation services;
- to provide integrated electric utility services at retail to consumers located in its service area and to sell electric power and energy, transmission and other services at wholesale to any other public agency or any investor-owned or cooperative utility;
- to adopt and implement necessary risk management policies and procedures; and
- to borrow money, incur indebtedness and issue revenue bonds payable from a pledge of all or a part of the revenues from the facilities and services provided by the Issuer.

Bonds, notes and other obligations issued by the Issuer are not an indebtedness or obligation of, and are not guaranteed by, the Members.

In addition to the powers of the Issuer listed above, under the Organization Agreement each of the Members grants to the Issuer an exclusive franchise and right to provide electric power and energy to the Members, their inhabitants and others. The Issuer also has non-exclusive franchises to provide electric power and energy to the County, the Town of Daniel, the Town of Independence, and the Town of Interlaken.

The Board

The Issuer is governed by a six-member board of directors (the “Board”). The Heber City mayor is designated as the chair and appoints two other members from the city council of Heber City to serve on the Board. The mayor of Midway City and the mayor of Charleston Town (or a councilperson selected as their designee) are also designated as board members. The chair of the county council of Wasatch County (or another county council member as designated by the council chair) is the sixth member of the Board (with voting rights limited in certain situations).

The present Board members and the positions they hold with their respective governing bodies are as follows:

<i>Name</i>	<i>Affiliation</i>	<i>Term</i>
Heidi Franco, Director & Chair	Mayor, Heber City	December 31, 2029
Aaron Cheatwood, Director	Council Representative, Heber City	December 31, 2028
Brenda Christensen, Director ⁽¹⁾	Mayor, Charleston Town	December 31, 2025
Kendall Crittenden, Director	Council Representative, Wasatch County Council	December 31, 2028
Sid Ostergaard, Director	Council Representative, Heber City	December 31, 2028
Kevin Payne, Director	Council Representative, Midway City	December 31, 2028

⁽¹⁾ When her terms ends on December 31, 2025, Mayor Christensen will be replaced on the Board by the new mayor of Charleston Town.

Management

General Manager. The Issuer and the System are operated under the direction of a General Manager, who serves at the pleasure of the Board. The General Manager is Jason Norlen. Mr. Norlen has been with the Issuer since October 1996 in various roles and became General Manager in February 2015. Prior to joining the Issuer, Mr. Norlen worked as a manager with a local construction company. Mr. Norlen obtained his bachelor's degree in business from the University of Phoenix in 2009. He is an active member of the Intermountain Power Agency's Board of Directors and recently served as the Chairman of the Utah Associated Municipal Power Systems' Board of Directors.

Chief Financial Officer. The Chief Financial Officer is Bart Miller. Mr. Miller has been with the Issuer since February 2014. Prior to joining the Issuer, he worked as the Chief Information Officer for an Oklahoma-based right-of-way firm. He also worked for PacifiCorp, an investor-owned utility, as a Project Controls Supervisor for large capital projects. Mr. Miller received his bachelors and master's degrees in accounting from Utah State University. He is a Utah state-licensed CPA.

Employee Workforce and Retirement System

The Issuer presently employs 49 permanent, full-time employees. Those employees provide all services necessary for the operation and maintenance of the System, including metering, billing, collection, personnel, line crews, service installation crews, customer service, energy conservation, engineering, plant and substation operation and maintenance (which includes mechanics and power dispatchers). The employees of the Issuer are not members of any union or labor organization, and the Issuer has never experienced a strike or work stoppage.

The Issuer participates in certain retirement plans administered by the Utah Retirement Systems (the "URS") for all full-time permanent employees. The Issuer also sponsors a deferred compensation plan administered by URS under sections 401(k) and 457 of the Internal Revenue Code. Those plans are administered by outside managers and administrators on behalf of the Issuer and its employees. The Issuer makes contributions to the URS equal to its required contributions for each year. For the year ended December 31, 2024, the Issuer reported a net pension liability of \$837,665. See "APPENDIX A—HEBER LIGHT & POWER COMPANY AUDITED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 2024 AND 2023—Notes to Financial Statements—Note 5. Retirement Plans."

Risk Management

The Issuer maintains insurance coverage for general, automobile, personal injury, errors and omissions, employee dishonesty, and malpractice liability up to \$2,000,000 per occurrence and excess liability coverage up to \$20,000,000 through policies administered by a third party. The Issuer also insures its buildings, including those under construction, and contents against all insurable risks of direct physical loss or damage with the third party. This insurance coverage provides for repair or replacement of damaged property at a replacement cost basis subject to a deductible of \$10,000 per occurrence for repairs and \$50,000 per occurrence for property loss. Settled claims have not exceeded the Issuer's insurance coverage for any of the past three years.

Contingency Fund

The Issuer's contingency fund was created to address certain large capital purchases and/or reserve requirements associated with internal generation, rate stabilization, and power market escalation. The contingency fund balance invested in the Utah Public Treasurers' Investment Fund as of October 31, 2025, was \$4,128,190. Any decrease in the contingency fund will be replenished through available revenues. The contingency fund may be utilized for any lawful purpose of the Issuer.

Investment of Funds

Investment of Operating Funds; the Utah Money Management Act. The Utah Money Management Act, Title 51, Chapter 7, Utah Code Annotated 1953, as amended (the "Money Management Act"), governs the investment of all public funds held by public treasurers in the State. It establishes criteria for investment of public funds with an

emphasis on safety, liquidity, yield, matching strategy to fund objectives, and matching the term of investments to the availability of funds. The Money Management Act provides a limited list of approved investments including qualified in-state and permitted out-of-state financial institutions, approved government agency securities and investments in corporate securities carrying “top credit ratings.” The Money Management Act also provides for pre-qualification of broker dealers by requiring, among other things, that broker dealers agree in writing to comply with the Money Management Act and certify that they have read and understand the Money Management Act. The Money Management Act establishes the Money Management Council (the “Money Management Council”) to exercise oversight of public deposits and investments. The law requires all securities be delivered versus payment to the public treasurer’s safekeeping bank. It requires diversification of investments, especially in securities of corporate issuers. Not more than 5% of the portfolio may be invested with any one issuer. Investments in mortgage pools and mortgage derivatives or any security making unscheduled periodic principal payments are prohibited. The Money Management Act also defines the State’s prudent investor rules. The Money Management Council is comprised of five members appointed by the Governor of the State for terms of four years, after consultation with the State Treasurer and with the advice and consent of the State Senate.

The Issuer is currently complying with all of the provisions of the Money Management Act for all Issuer operating funds. The Issuer has no investments in derivative or leveraged securities. A significant portion of Issuer funds are invested in the Utah Public Treasurers’ Investment Fund (the “Utah Treasurers’ Fund”).

The Utah Public Treasurers’ Investment Fund. The Utah Treasurers’ Fund is a public treasurers’ investment fund, established in 1981, and is managed by the Treasurer of the State of Utah. The Utah Treasurers’ Fund invests to ensure safety of principal, liquidity and a competitive rate of return on short-term investments. All moneys transferred to the Utah Treasurers’ Fund are promptly invested in securities authorized by the Money Management Act. Safe-keeping and audit controls for all investments owned by the Utah Treasurers’ Fund must comply with the Money Management Act.

All investments in the Utah Treasurers’ Fund must comply with the Money Management Act and rules of the Money Management Council. The Utah Treasurers’ Fund invests primarily in money market securities including time certificates of deposit, top rated commercial paper, treasuries and certain agencies of the U.S. Government. The maximum weighted average adjusted life of the portfolio, by policy, is not to exceed 90 days. The maximum final maturity of any security purchased by the Utah Treasurers’ Fund is limited to three years, except for a maximum maturity of five years is allowed for treasury or agency securities whose rate adjusts at least annually.

By law, investment transactions are conducted only through certified dealers, qualified depositories or directly with issuers of the securities. All securities purchased are delivered via payment to the custody of the State Treasurer or the State Treasurer’s safekeeping bank, assuring a perfected interest in the securities. Securities owned by the Utah Treasurers’ Fund are completely segregated from securities owned by the State. The State has no claim on assets owned by the Utah Treasurers’ Fund except for any investment of State moneys in the Utah Treasurers’ Fund. Deposits are not insured or otherwise guaranteed by the State.

Securities in the Utah Treasurers’ Fund must be rated “first tier” (“A-1,” “P1,” for short-term investments and “A” or better for long-term investments) by two nationally recognized statistical rating organizations. These securities represent limited risks to governmental institutions investing with the Utah Treasurers’ Fund. Variable rate securities in the Utah Treasurers’ Fund must have an index or rate formula that has a correlation of at least 94% of the effective Federal Funds rate.

Investment activity of the State Treasurer in the management of the Utah Treasurers’ Fund is reviewed monthly by the Money Management Council and is audited by the State Auditor.

See “APPENDIX A—HEBER LIGHT & POWER COMPANY AUDITED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 2024 AND 2023—Notes to the Financial Statements—Note 2. Deposits and Investments.”

Moneys from the sale of obligations issued by the Issuer (including the Series 2026 Bonds) or pledged to the payment therefor are also on deposit in funds and accounts of the Issuer and/or trustees of the Issuer. Such funds are

typically invested in the Utah Treasurers' Fund. Investment policies regarding such moneys are governed by the specific instruments pursuant to which such obligations were issued.

Budget Process

The Issuer must begin the calendar year with an approved budget. This budget process begins in August with the preparation and approval of the capital plan. In September the strategic plan is drafted/revised thus giving budgetary direction to management. A preliminary draft budget is then drafted and reviewed in the October meeting of the Board after which a date is set for a mandatory public meeting regarding the budget in November. The draft budget is then posted in multiple locations for public review prior to the meeting. During the public meeting the draft budget is reviewed in detail and public comment is taken. A vote is then taken to approve the budget either at the end of the public meeting or some time thereafter, but before midnight on December 31. The approved budget is then printed, and a copy is maintained in the lobby of the Issuer's office building for public review. Hard copy versions are included with the audited financial statements in April. An electronic copy of the budget is also placed on the Issuer's website.

Additional Information

For additional information with respect to the Issuer and its finances see "APPENDIX A—HEBER LIGHT & POWER COMPANY AUDITED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 2024 AND 2023" and "APPENDIX C—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING WASATCH COUNTY."

Outstanding Obligations of the Issuer

See below for a list of outstanding debt obligations of the Issuer as of January 1, 2026.

OUTSTANDING ELECTRIC REVENUE BONDS

<u>Series</u>	<u>Purpose</u>	<u>Original Amount</u>	<u>Final Maturity Date</u>	<u>Principal Amount Outstanding</u>
2026 ⁽¹⁾	Improvements	[\$PAR]*	December 15, 20[]*	[\$PAR]*
2023	Improvements	29,070,000	December 15, 2047	27,720,000
2019	Improvements/Refunding	18,600,000	December 15, 2045	<u>16,270,000</u>
TOTAL				<u>\$ _____*</u>

⁽¹⁾ For the purposes of this table the Series 2026 Bonds are considered issued and outstanding.

* Preliminary; subject to change.

Other Financial Considerations

The Issuer acquired equipment through issuance of a note [under a capital lease agreement] in the amount of \$2,000,000. The note bears an interest rate of 2.7% and is payable in annual installments of approximately \$164,000 with final maturity in 2029. See also "APPENDIX A—HEBER LIGHT & POWER COMPANY AUDITED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 2024 AND 2023—Notes to the Financial Statements, Note 4—Noncurrent Liabilities."

Future Financing Plans

The Issuer currently has plans for additional projects within the next three to five years and may issue bonds to finance those projects. However, the precise amounts, timing and other details of any future bond issuances are not known at this time. The Issuer reserves the right to issue bonds or other obligations as its capital needs may require.

No Defaulted Bonds

The Issuer has never failed to pay principal and interest when due on its outstanding bonded indebtedness or other obligations.

Year Financial Summaries

The following tables summarize certain financial information regarding the Issuer and have been extracted from the Issuer's basic financial statements for the fiscal years ended December 31, 2020 through December 31, 2024 [and unaudited, preliminary results for the fiscal year ended December 31, 2025]. The following summaries themselves are unaudited.

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HEBER LIGHT AND POWER COMPANY
Statement of Net Position
(This summary has not been audited.)

	Fiscal Year Ending December 31,				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
ASSETS					
Cash & investments	\$14,936,388	\$6,201,671	\$6,632,782	\$3,901,278	\$5,384,426
Restricted cash & investments	8,282,791	23,274,411	9,925,319	18,152,483	18,175,626
Accounts receivable (net)	2,301,781	2,291,068	2,039,851	1,724,250	1,686,188
Unbilled receivables	1,707,945	1,675,159	1,570,919	1,255,936	1,227,497
Prepaid expenses	1,093,450	380,928	293,752	329,998	361,304
Inventory	8,484,856	6,406,955	4,430,810	3,757,132	1,908,637
Other current assets	<u>109,853</u>	<u>44,693</u>	<u>419,453</u>	<u>16,477</u>	<u>19,024</u>
Total current assets	<u>36,917,064</u>	<u>40,274,885</u>	<u>25,312,886</u>	<u>29,137,554</u>	<u>28,762,702</u>
Net pension assets	—	—	1,624,069	—	—
Capital Assets					
Land, construction in progress & water rights	17,660,573	30,696,175	11,646,709	8,490,412	5,396,457
Depreciable, net of accumulated depreciation	78,600,939	50,203,081	48,008,606	39,534,321	35,430,069
Net capital assets	<u>96,261,512</u>	<u>80,899,256</u>	<u>59,655,315</u>	<u>48,024,733</u>	<u>40,826,526</u>
Total assets	<u>133,178,576</u>	<u>121,174,141</u>	<u>86,592,270</u>	<u>77,162,287</u>	<u>69,589,228</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charges on refundings	294,850	321,655	348,460	375,263	402,067
Pension related	<u>1,902,283</u>	<u>1,469,341</u>	<u>1,066,496</u>	<u>847,123</u>	<u>855,526</u>
Total deferred outflows	2,197,133	1,790,996	1,414,956	1,222,386	1,257,593
LIABILITIES:					
Current Liabilities:					
Accounts payable	1,386,118	1,808,065	4,001,864	305,034	443,391
Accrued expenses	2,769,050	1,394,976	2,792,807	1,384,323	1,197,374
Related party payable	428,713	195,293	250,304	211,585	197,006
Current portion of noncurrent liabilities	<u>1,922,110</u>	<u>2,073,155</u>	<u>1,237,711</u>	<u>1,142,900</u>	<u>1,103,110</u>
Total current liabilities	<u>6,505,991</u>	<u>5,471,489</u>	<u>8,282,686</u>	<u>3,043,842</u>	<u>2,940,881</u>
Noncurrent Liabilities:					
Revenue bonds payable	43,990,000	45,145,000	17,415,000	18,070,000	18,695,000
Bond premium	4,729,397	5,247,293	2,064,811	2,394,769	2,734,907
Note payable/capital leases	615,002	758,858	898,911	1,035,233	1,167,898
Compensated absences	662,711	797,527	821,616	684,478	713,319
Early retirement incentive	104,010	75,519	103,095	153,628	160,337
Contract payable	1,199,436	1,189,196	1,178,478	1,169,270	1,232,819
Net pension liability	<u>837,665</u>	<u>562,402</u>	<u>—</u>	<u>152,084</u>	<u>1,083,085</u>
Total noncurrent liabilities	<u>52,138,221</u>	<u>53,775,795</u>	<u>22,481,911</u>	<u>23,659,462</u>	<u>25,787,365</u>
Total liabilities	58,644,212	59,247,284	30,764,597	26,703,304	28,728,246
DEFERRED INFLOWS OF RESOURCES					
Pension related	—	—	2,243,874	1,149,587	646,118
NET POSITION					
Net investment in capital assets	49,328,859	48,595,966	46,246,672	39,558,492	31,946,656
Restricted for capital projects	3,677,602	2,078,956	1,333,900	4,718,873	3,683,236
Restricted for pensions	—	—	1,624,069	—	—
Unrestricted	<u>23,715,808</u>	<u>13,033,511</u>	<u>5,794,113</u>	<u>6,254,417</u>	<u>5,842,565</u>
Total net position	<u>\$76,722,269</u>	<u>\$63,708,433</u>	<u>\$54,998,754</u>	<u>\$50,531,782</u>	<u>\$41,472,457</u>

(Source: Information extracted from the Issuer's 2020-2024 audited basic financial statements. This summary has not been audited.)

HEBER LIGHT AND POWER COMPANY
Statement of Revenues, Expenses and Changes in Net Position
(This summary has not been audited.)

	Fiscal Year Ended December 31,				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<i>Operating Revenues</i>					
Electricity sales	\$25,131,182	\$23,757,231	\$21,602,693	\$19,797,592	\$18,451,012
Electricity sales - Jordanelle	1,865,669	1,834,964	1,142,043	1,334,051	1,804,706
Connection fees	198,694	149,673	133,526	34,770	37,400
Other income	<u>278,603</u>	<u>249,911</u>	<u>199,128</u>	<u>254,102</u>	<u>237,047</u>
Total operating revenue	<u>27,474,148</u>	<u>25,991,779</u>	<u>23,077,390</u>	<u>21,420,515</u>	<u>20,530,165</u>
<i>Operating Expenses:</i>					
Power purchases	12,618,154	11,442,806	12,610,176	9,163,150	8,618,520
Power purchases - Jordanelle	1,867,629	1,834,964	1,141,952	1,270,502	1,804,707
Salaries, wages, and benefits (unallocated)	1,268,131	1,015,534	395,693	774,064	1,350,940
System maintenance and training	4,665,538	5,352,559	4,750,440	3,837,111	3,530,575
Depreciation	3,798,370	3,398,471	3,004,438	2,706,425	2,499,494
Gas generation	2,600,570	1,861,785	1,898,661	1,236,485	702,432
Other	375,172	309,337	275,638	299,011	217,426
Vehicle	515,922	524,814	418,186	299,077	394,712
Office	142,674	153,808	141,962	131,915	137,591
Energy rebates	119,412	54,179	40,524	27,549	39,656
Professional services	235,479	225,172	231,565	133,927	138,018
Materials	231,147	180,777	252,471	130,298	137,546
Building	40,380	49,257	45,975	36,220	37,295
Bad debts	<u>16,410</u>	<u>25,680</u>	<u>15,576</u>	<u>11,439</u>	<u>16,004</u>
Total operating expenses	<u>28,494,988</u>	<u>26,429,143</u>	<u>25,223,257</u>	<u>20,057,173</u>	<u>19,624,916</u>
Operating Income	(1,020,840)	(437,364)	(2,145,867)	1,363,342	905,249
<i>Nonoperating Revenues (Expenses):</i>					
Impact fees	4,865,618	4,142,767	3,195,068	2,387,447	1,404,681
Interest income	1,518,409	1,668,408	276,314	80,566	253,314
Gain (loss) on sale of capital assets	(17,600)	70,775	(49,963)	—	24,171
Bond issuance costs	—	(387,652)	—	—	—
Interest expense	<u>(1,769,624)</u>	<u>(1,632,141)</u>	<u>(564,679)</u>	<u>(572,610)</u>	<u>(665,815)</u>
Total nonoperating revenues (expenses)	<u>4,596,803</u>	<u>3,862,157</u>	<u>2,856,740</u>	<u>1,895,403</u>	<u>1,016,351</u>
<i>Contributions (Distributions)</i>					
Contributed capital	9,437,873	5,359,622	4,056,099	6,100,580	3,275,127
Distributions to owners	—	—	<u>(300,000)</u>	<u>(300,000)</u>	<u>(300,000)</u>
Total contributions (distributions)	<u>9,437,873</u>	<u>5,359,622</u>	<u>3,756,099</u>	<u>5,800,580</u>	<u>2,975,127</u>
Change in Net Position	13,013,836	8,784,415	4,466,972	9,059,325	4,896,727
Net Position at Beginning of Year	63,785,869	54,998,754	50,531,782	41,472,457	36,575,730
Adjustment due to GASB 101	<u>(77,436)</u>	<u>(74,736)</u>	—	—	—
Net Position at End of Year	<u>\$76,722,269</u>	<u>\$63,708,433</u>	<u>\$54,998,754</u>	<u>\$50,531,782</u>	<u>\$41,472,457</u>

(Source: Information extracted from the Issuer's 2020-2024 audited basic financial statements. This summary has not been audited.)

THE SYSTEM

General

The service area of the System currently covers 74 square miles in Wasatch County, providing electrical power to approximately 16,136 customers in the municipalities of Heber City, Midway City, Charleston Town, and the towns of Daniel, Independence, and Interlaken, as well as certain unincorporated areas of the County. The System currently consists of three hydroelectric generators and nine natural gas generating units with an overall total generating capacity of approximately 19.5 MW and includes seven substations and over 697 miles of distribution lines. A more detailed description of the System is set forth below.

Electric Generation Facilities

As previously stated, the generation facilities of the System include both natural gas and hydroelectric units. The natural gas generating facilities are located at a plant site in Heber City and include nine units with a total capacity of 15.7 MW. The following table shows the capacity and year of installation for those units:

<u>Capacity (kW)</u>	<u>Year Installed</u>
3464(2 Units)	2002
1732	2003
1369	2004
3,750 (2 units)	2015
2,200	2021
<u>1,550</u>	2022
<u>2,200</u>	2025
<u>16,265 (Total)</u>	

The Issuer operates its natural gas generating units to provide power and energy during peak demand periods. The Issuer also utilizes its gas generators to provide a firm, back-up generating resource that enables the Issuer to purchase low-cost, non-firm energy through market and other sources. In addition, the Issuer tests electric generation products for a large international company and receives energy produced from such testing, which is included in the total of the Issuer's natural gas power plant generation. During 2024, the Issuer operated its natural gas generating facilities to produce a total of 26,057 Megawatt hours ("MWh") of energy, representing approximately 11% of the Issuer's total energy requirements in that year.

The Issuer also owns and operates three hydroelectric generating facilities: Upper Snake Creek, Lower Snake Creek, and Lake Creek Hydroelectric Plants. In 2024, the three plants generated a total of 12,541 MWh of energy representing 5% of the Issuer's total energy requirements.

The Upper Snake Creek Hydroelectric Plant is an 800-kilowatt ("kW") facility that was constructed in 1949. This facility generated approximately 5,567 MWh of energy during 2024, representing approximately 2.4% of the Issuer's total energy requirements. The Lower Snake Creek Hydroelectric Plant is a 1,200-kW facility that began operation in 1910 and was acquired by the Issuer in September 2011 from PacifiCorp. During 2024, this facility generated approximately 3,770 MWh of energy, representing approximately 1.6% of the Issuer's total energy requirements.

Despite their age, the Snake Creek plants are in good operating condition and generate electricity at economical prices. Falling water for the operation of these plants comes from Snake Creek, which flows from abandoned underground mine workings in West Mountain, northwest of Heber City. The Snake Creek flow has been consistent, running between approximately four and seven cubic feet per second during the low and high runoff seasons, respectively.

The Lake Creek Hydroelectric Plant is a 1,300-kW facility constructed in 1981. This facility generated approximately 3,204 MWh during 2024, which was approximately 1.4% of the total energy requirements of the System. The water supply for the Lake Creek Plant is the Lake Creek drainage, a tributary of the Provo River. Storage

reservoirs on Lake Creek are used jointly by the Lake Creek Irrigation Company for irrigation purposes and the Issuer for hydrogeneration. The average annual runoff of the tributary system exceeds that needed to fill the storage reservoirs.

In total, the Issuer's natural gas and hydroelectric generating facilities (including test facilities) produced 38,599 MWh of energy in 2024, representing approximately 16% of the Issuer's total energy requirements in that year. The balance of the Issuer's electric energy requirements are purchased from various sources described under "THE SYSTEM—Power and Energy—Outside Sources" below.

Substation and Distribution Facilities

The System presently includes approximately 782 miles of distribution lines. The System is interconnected with the interstate transmission grid through a substation that connects to the 138-kV transmission system of PacifiCorp. The principal substation and distribution facilities included in the System are listed below:

- a 7.5 megavolt ampere (MVA) substation (Cloyes Substation) in Heber City completed in 1975;
- a 5 MVA substation (Provo River Substation) near Midway completed in 1980;
- a 10 MVA substation (Midway Substation) in Midway upgraded to current capacity in 2011;
- a 34 MVA substation (Jailhouse Substation) in Heber City completed in 2002;
- a 40 MVA substation (College Substation) in Heber City completed in 2008;
- a 40 MVA substation (Heber Substation) completed in 2010 in Heber City;
- a 24 MVA substation (Heber Plant Substation) consisting of three 5 MVA transformers completed in 2003 in Heber City;
- a 100 MVA substation (Southfields Substation) in Wasatch County completed in 2024;
- 38.03 miles of 46 kV sub-transmission lines, built to 138 kV specification; and
- 782 miles of distribution lines.

Other Facilities. The Issuer utilizes a system control and data acquisition (SCADA) system to provide data acquisition and to control the operations of the System. An upgraded SCADA system was installed during 2021-2022. The Issuer also owns various office, administrative, storage and garage facilities and various trucks and equipment used in the regular operations of the System. In addition to the SCADA system, the Issuer is fully deployed with AMI meters. In the opinion of management, the facilities and equipment of the Issuer are in good operating condition.

System Rates

Rates fixed and charged for the energy distributed by the Issuer are established by its Board. The Board has exclusive authority to establish such rates and any rate resolution adopted by the Board may be immediately effective in accordance with its terms. The Issuer is not required to seek approval of its electric service rates from any State or federal regulatory body.

To spread out the billing and collection processes, the Issuer has divided the customer base into two separate cycles based upon customer demographics. "Cycle 1" customers are predominantly Heber City customers. "Cycle 2" customers represent the balance of the Issuer's service territory. Cycle 1 customers are billed on the 15th of the month for energy used between the 9th of the prior month and the 8th of the current month. Cycle 2 customers are billed on the last day of the month for energy used between the 23rd of the prior month and the 22nd of the current month. In April of 2025, the Issuer approved rate increases to be implemented over three years for each cycle with the rate increase being fully implemented as of October 1, 2027. Part of this rate study included the implementation of Opt-out Time-Of-Use rates for all customers beginning in October of 2026. The 2022 rate study established an Opt-in Time-Of-Use rate program as a pilot for both rate levels and system compatibility. The Opt-in Time-Of-Use rate program is now being pushed out to all accounts unless the customer elects to opt-out. Time-Of-Use rates are designed to more accurately bill the daily energy costs to the customers that use the energy.

Set forth below are the Issuer's current rates for residential customers, various sizes of general service customers, and pumping customers.

<i>Residential (Opt-out rates for customers starting 2026)</i>	<u>04/23/25 – 09/22/26</u>	<u>09/23/26 – 09/22/27</u>
Base/Customer Charge: <=400 AMP / >400 AMP	18.40 / 35.40	18.90 / 36.90
1st 1,000 kWh	0.11823/kWh	0.12077/kWh
All Additional	0.14134/kWh	0.14438/kWh
Solar Net Meter	(0.0900)/kWh	(0.0900)/kWh
<i>Residential (Time-of-Use)</i>		
Base/Customer Charge: <=400 AMP / >400 AMP	18.40 / 35.40	18.90 / 36.90
Winter On-Peak	0.18984/kWh	0.20625/kWh
Winter Off-Peak	0.08629/kWh	0.08250/kWh
Summer On-Peak	0.24207/kWh	0.26667/kWh
Summer Off-Peak	0.10525/kWh	0.10063/kWh
<i>Residential - Pumping</i>		
Base/Customer Charge	18.40	18.90
Demand Rate	0.25/kW	0.50/kW
1st 1,000 kWh	0.11820/kWh	--
All Additional	0.14130/kWh	--
Winter On-Peak	--	0.14029/kWh
Winter Off-Peak	--	0.12199/kWh
Summer On-Peak	--	0.14029/kWh
Summer Off-Peak	--	0.12199/kWh
<i>General Service - Small (1kW <X<= 30kW) (Single Phase)</i>		
Base/Customer Charge	26.00	29.00
Demand Rate	12.10/kW	12.60/kW
1st 500 kWh	0.08549/kWh	0.07815/kWh
All Additional	0.06839/kWh	0.07034/kWh
<i>General Service - Small (1kW <X<= 30kW) (3-Phase)</i>		
Base/Customer Charge	35.00	39.00
Demand Rate	12.10/kW	12.60/kW
1st 500 kWh	0.08549/kWh	0.07815/kWh
All Additional	0.06839/kWh	0.07034/kWh
<i>General Service - Small (1kW <X<= 30kW) Pumping</i>		
Base/Customer Charge	41.00	44.50
Demand Rate	9.85/kW	9.85/kW
Winter On-Peak	0.11397/kWh	0.12314/kWh
Winter Off-Peak	0.05698/kWh	0.06157/kWh
Summer On-Peak	0.13901/kWh	0.15019/kWh
Summer Off-Peak	0.06950/kWh	0.07510/kWh

General Service - Medium (>30kW & ≤ 250kW)

Base/Customer Charge	150.00	155.00
Demand Rate	14.45/kW	14.95/kW
All Energy	0.06841/kWh	0.07048/kWh

General Service - Medium (>30kW) - Pumping

Base/Customer Charge	150.00	155.00
Demand Rate	9.85/kW	9.85/kW
Winter On-Peak	0.11397/kWh	0.12314/kWh
Winter Off-Peak	0.05698/kWh	0.06157/kWh
Summer On-Peak	0.13901/kWh	0.15019/kWh
Summer Off-Peak	0.06950/kWh	0.07510/kWh

General Service - Large (> 250kW)

Base/Customer Charge	357.00	372.00
Demand Rate	15.35/kW	15.35/kW
All kWh	0.06541/kWh	--
Winter On-Peak	--	0.08199/kWh
Winter Off-Peak	--	0.06073/kWh
Summer On-Peak	--	0.10000/kWh
Summer Off-Peak	--	0.07408/kWh

Based on 1,000 kilowatt-hours (“kWh”) of monthly energy consumption by a typical household, the Issuer’s current rate structure produces an average rate of [12¢ per kWh.]

The fees for various other services as of [_____], 2025, as set by the Board, are as follows:

Convenience Fee	3% (used on impact fee and work order cc payments)
Late Payment Charge	1.5% (applied on any past due amounts)
Returned Payment Charge	\$15
Reconnect Fee	\$30
Service Application Fee	\$20
Seasonal Disconnect Fee	\$50
Impact Fee	Calculated upon requested amperage of service
Line Extension/New Development-Installation	Estimate for labor, materials and overhead provided upon request
Initiation/Will Serve	\$200
Design Fee	\$300 (per development phase fee)
Design Fee (resubmit)	\$20 per residential/commercial unit
Truck Roll Fee	\$85 (Set fee for extra vehicle trips)
Dig-in/Damage Mobilization Fee	Graduated (\$300 Min.; \$1,000/hr. when over an hour)
Temporary Meter Connection	\$500 (Fee for new services that desire a temporary meter set)
Wire Pull (up to 400 amps)	\$380 plus meter cost (customers on services larger than 400 amps are responsible to install wire)
Connection fee for first-time metered service (single-phase)	\$235
Connection fee for first-time metered service (3-phase)	\$470
Meter – Nonstandard Meter – Monthly Meter Reading Charge	\$20
Net-Metering ⁽¹⁾ – Application Fee	\$400

Generation Transfer Switch – Preliminary Inspection Fee	\$100 (verification trip for sizing and device appropriateness)
Generation Transfer Switch – Installation Fee	\$100 (installation and meter re-installation)
Outside Lighting (Yard Lights)	\$9.30/month
Outside Lighting Maintenance	\$25 plus parts

- (1) Net metering measures the difference between the energy that a customer consumes from the grid and the excess energy that a customer sends back onto the grid when their renewable energy generation exceeds the amount of energy that their home or business is using. The Issuer's net metering policy allows for any excess electricity that is generated by the customer to be banked as a credit towards future energy usage until the end of March. During the first week of April, the Issuer will pay for any unused kilowatt hours at the customer's retail rate.

The Issuer also collects impact fees for new connections and/or added load to the System based on the service amperage and type of connection requested. The Issuer can only expend these impact fees on certain capital improvements that are necessary to serve new growth on the System. An increase in impact fee rates was approved in November of 2025 and will go into effect in February of 2026. The fee increased by 2%. The new rate for a single-phase amp is \$34.56.

Largest Customers of the Issuer

The Issuer's records show the following statistics for the fiscal year ending December 31, 2024. The Issuer reports that the top five customers of the System account for no more than 10.3% of the total annual electric charges collected for fiscal year 2024.

<u>Customer</u>	<u>kWh Sold</u>	<u>Annual Billing</u>	<u>% of Total Usage</u>
School District	8,271,354	\$870,855	4.0%
County Facilities	4,067,937	405,571	1.8
Medical Facility	3,448,900	278,832	1.6
Special Service District ⁽¹⁾	3,318,504	259,732	1.5
Conservancy District	<u>3,043,738</u>	<u>62,235</u>	<u>1.4</u>
Total	<u>22,150,433</u>	<u>1,877,225</u>	<u>10.3</u>

- (1) This entity is a water district which gets a lower, negotiated rate due to its participation in the Issuer's hydroelectric transmission.

[The Issuer's records show the following statistics for the fiscal year ending December 31, 2025. The Issuer reports that the top five customers of the System account for approximately [_____] % of the total annual electric charges collected as of [November 30, 2025].

<u>Customer</u>	<u>kWh Sold</u>	<u>YTD Billing</u>	<u>% of Total Usage</u>
School District			
County Facilities			
Medical Facility			
Special Service District ⁽¹⁾			
Conservancy District			
Total			

- (1) This entity is a water district which gets a lower, negotiated rate due to its participation in the Issuer's hydroelectric transmission.

Billing Procedures, Collection, and Enforcement

All customers are required to abide by the Issuer's collection policy. Payment of charges for services is due 10 days after the billing date. If such charges are not paid by the due date, a notice of delinquency is sent 30 days after the billing date. If the account remains unpaid 30 days after the notice of delinquency, service is disconnected.

Licenses, Permits and Approvals

The Issuer operates the natural gas power units under an approval order from the State of Utah Division of Air Quality. The current approval order dated January 29, 2024, allows the Issuer to operate as a minor source for all pollutants under the State Title V program and is a modification to the prior approval order allowing the Issuer to replace generators and remain a synthetic minor source.

The Issuer holds all other licenses, permits and approvals necessary for the operation of the System.

Management's Discussion of Operations

Financial Highlights: Revenues from the sale of electricity in 2025 are forecasted to be \$29,907,653, an increase of \$6,150,422 or 26% above 2024's revenue. This increased revenue is largely driven by a 13% rate increase enacted in April of 2025 as well as an increase in customer accounts and usage patterns. Load growth on the System increased the quantity of power purchases by 7.4% to 236,792 MWh during 2025. Internal gas generation expenses are forecasted to be increased in 2025 by \$427,505, largely driven by maintenance expenses.

During 2025, the Issuer collected impact fees from all customers who added new or additional electrical load to the utility's distribution system. This charge continues to be in response to the rapid growth that has been experienced in Heber Valley and provides the utility with the necessary funds to add new distribution system plant which is required to serve the customers. The funds collected as impact fees are restricted to being used for new or upgraded plants to serve additional load and cannot be applied to operational expenses. The impact fee revenue in 2025 is forecasted to be \$3,910,714. During 2025, all impact fees collected have been used by the Issuer for various capital project expenses.

The Issuer collects fees from developers and customers in aid of utility construction to provide electrical service. These fees, hereafter referred to as "Contributed Capital," represent the recovery of costs associated with onsite electrical upgrades or infrastructure additions, and distribution system upgrades required as a result of the customer's connection. In 2025, the projected revenue from Contributed Capital is \$6,552,956.

During 2024, the Issuer saw an increase in net pension liability of \$275,263. This increase is based off actuarial assumptions provided by the Utah Retirement System. Issuer will not receive an update on this number until late January 2026.

Operational Highlights: In 2025 the Issuer's customer base continued to grow with the addition of numerous residential customers, along with new general service customers. As of October 31, 2025, total active customers are 16,136.

Financial Analysis: The Issuer's total assets and deferred outflows net of accumulated depreciation were \$133,178,576. Total net position for 2024 increased by \$13,013,836. Most of this increase resulted from an increase in new System assets from the economic expansion within Heber Valley.

General Fund Budgetary Highlights: In 2024, operating expenses came in below budget. Revenues also came in slightly below budget. The biggest budget variance was better than planned power purchases due to favorable energy markets in the early months of the year.

Economic Factors and Fiscal Year 2025 Budget and Rates: The 2025 budgeted revenues are forecasted to be higher than 2024 actuals. This is a reasonable estimate considering the effects of the April 2025 rate increase and the current economy of new customer growth in the Issuer's service territory.

The Issuer continues to review its rates to ensure appropriate expense recovery and funding of capital purchases. Any future rate adjustments considered will preserve existing revenues to ensure appropriate funding. Where possible, the goal of the Issuer is to fund its capital requirements without incurring additional debt. New rates were put into service on April 9, 2025, and additional increases are planned for October 1, 2026, and October 1, 2027.

A slight increase in impact fee rates was approved in November of 2025 and will go into effect in February of 2026. The fee increased by 2%. The new rate for a single-phase amp became \$34.56.

Selected Operating Information

The following tables present certain statistical information regarding the operation of the System for the calendar years indicated.

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<i>Number of Metered Customers</i>					
Residential	13,549	12,660	12,011	11,664	11,342
Commercial	<u>2,444</u>	<u>2,418</u>	<u>2,170</u>	<u>2,018</u>	<u>1,833</u>
Total Metered Customers	15,993	15,078	14,181	13,682	13,175
<i>Energy Supply (MWh)</i>					
System Generation	38,599	36,346	33,368	26,175	23,111
Purchased Energy	<u>198,193</u>	<u>184,073</u>	<u>181,978</u>	<u>180,860</u>	<u>177,672</u>
Total Energy Supply	236,792	220,419	215,616	207,035	200,783
<i>Energy Sales (MWh)</i>					
Residential	131,051	122,252	116,233	110,756	105,976
Commercial	<u>90,171</u>	<u>83,761</u>	<u>85,147</u>	<u>82,388</u>	<u>80,832</u>
Total Energy Sales	221,222	206,013	201,380	193,144	186,808

Summary of Production Cost

<u>Year</u>	<u>Cost per kWh⁽¹⁾</u>
2024	0.0794
2023	0.0799
2022	0.0600
2021	0.0430
2020	0.0420

⁽¹⁾ Includes an operation and maintenance component.

Historical and Projected Debt Service Coverage

The following table sets forth the historical and projected debt service coverage for the System of the Issuer for the years shown.

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Historical and Projected Debt Service Coverage

	Historical				Unaudited	Growth	2026	2027	2028	2029	2030
	2021	2022	2023	2024	2025	Rate					
Operating Revenue											
Electricity Sales	21,131,643	22,744,733	25,592,195	26,996,851	31,788,224	5%	34,409,768	36,130,256	37,936,769	39,833,608	41,825,288
Other Income	288,873	332,654	399,584	477,297	502,843	0%	445,603	445,603	445,603	445,603	445,603
<i>Total Operating Revenue:</i>	<i>21,420,516</i>	<i>23,077,387</i>	<i>25,991,779</i>	<i>27,474,148</i>	<i>32,291,067</i>		<i>34,855,371</i>	<i>36,575,859</i>	<i>38,382,372</i>	<i>40,279,211</i>	<i>42,270,891</i>
Power Production Expense	(1,251,065)	(2,032,214)	(2,079,597)	(2,780,552)	(2,289,290)	2%	(4,589,065)	(4,680,846)	(4,774,463)	(4,869,952)	(4,967,352)
Purchased Power Expense	(10,461,202)	(13,792,652)	(13,331,949)	(14,607,979)	(16,977,537)	4%	(15,408,309)	(16,024,641)	(16,665,627)	(17,332,252)	(18,025,542)
<i>Total Cost of Sales:</i>	<i>(11,712,267)</i>	<i>(15,824,866)</i>	<i>(15,411,545)</i>	<i>(17,388,531)</i>	<i>(19,266,827)</i>		<i>(19,997,374)</i>	<i>(20,705,488)</i>	<i>(21,440,090)</i>	<i>(22,202,205)</i>	<i>(22,992,894)</i>
Operations and Maintenance Expense											
Operations Expense	(518,597)	(677,997)	(983,011)	(1,024,518)	(1,052,267)	0%	(1,127,000)	(1,127,000)	(1,127,000)	(1,127,000)	(1,127,000)
Maintenance Expense	(2,455,296)	(3,065,635)	(3,426,346)	(2,845,400)	(3,163,157)	1%	(3,705,824)	(3,742,883)	(3,780,312)	(3,818,115)	(3,856,296)
<i>Total O&M Costs:</i>	<i>(2,973,893)</i>	<i>(3,743,632)</i>	<i>(4,409,358)</i>	<i>(3,869,919)</i>	<i>(4,215,424)</i>		<i>(4,832,824)</i>	<i>(4,869,883)</i>	<i>(4,907,312)</i>	<i>(4,945,115)</i>	<i>(4,983,296)</i>
Administrative and General Expense											
Customer Related	(576,455)	(521,113)	(749,493)	(692,161)	(907,281)	8%	(949,541)	(1,025,504)	(1,107,544)	(1,196,148)	(1,291,839)
Employee Related	(813,521)	(1,042,191)	(1,195,457)	(1,439,180)	(1,553,080)	9%	(1,649,724)	(1,798,199)	(1,960,037)	(2,136,440)	(2,328,720)
Facilities and Supplies	(373,759)	(134,088)	(181,371)	(290,626)	(168,248)	0%	(185,664)	(185,664)	(185,664)	(185,664)	(185,664)
IT/Communication	(481,644)	(534,745)	(583,186)	(577,720)	(611,013)	4%	(659,885)	(686,280)	(713,732)	(742,281)	(771,972)
Vehicles	(419,213)	(418,186)	(524,814)	(515,922)	(667,193)	11%	(643,000)	(713,730)	(792,240)	(879,387)	(976,119)
<i>Total A&G Costs:</i>	<i>(2,664,592)</i>	<i>(2,650,323)</i>	<i>(3,234,321)</i>	<i>(3,515,609)</i>	<i>(3,906,815)</i>		<i>(4,087,814)</i>	<i>(4,409,377)</i>	<i>(4,759,217)</i>	<i>(5,139,920)</i>	<i>(5,554,315)</i>
Total Operating Income:	4,069,764	858,566	2,936,554	2,700,089	4,902,002		5,937,359	6,591,112	7,275,753	7,991,972	8,740,387
Depreciation	(2,706,425)	(3,004,438)	(3,398,471)	(4,455,654)	(4,182,475)	12%	(5,880,000)	(6,585,600)	(7,375,872)	(8,260,977)	(9,252,294)
Total Operating Income less Depreciation:	1,363,339	(2,145,872)	(461,917)	(1,755,565)	719,527		57,359	5,512	(100,119)	(269,005)	(511,907)
Non-Operating Revenues											
Interest	80,566	276,314	1,668,408	1,518,409	944,097		360,000	65,000	15,000	15,000	15,000
Gain on Sale of Assets	-	(49,963)	-	17,600	-		-	-	-	-	-
Impact Fees	2,387,447	3,195,068	4,142,767	4,865,618	3,910,714		3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Contributions in Aid of Construction	6,100,580	4,056,099	5,359,622	9,437,873	6,552,956		3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
<i>Total Non-Operating Revenues:</i>	<i>8,568,593</i>	<i>7,477,518</i>	<i>11,170,797</i>	<i>15,839,501</i>	<i>11,407,767</i>		<i>6,360,000</i>	<i>6,065,000</i>	<i>6,015,000</i>	<i>6,015,000</i>	<i>6,015,000</i>
Funds Available for Debt Service:	12,638,357	8,336,084	14,107,351	18,539,590	6,398,622		12,297,359	12,656,112	13,290,753	14,006,972	14,755,387
Debt Service											
2012 Bonds	(354,800)	(355,650)	(361,200)	(368,000)	(4,000)		-	-	-	-	-
2014 Capital Lease	(164,032)	(164,140)	(164,222)	(164,278)	(164,309)		(164,311)	(164,286)	(164,233)	(164,150)	-
2019 Bonds	(1,096,250)	(1,096,500)	(1,096,000)	(1,094,750)	(737,750)		(720,000)	(1,453,500)	(1,440,000)	(1,445,250)	(1,443,250)
2023 Bonds	-	-	(1,263,738)	(2,103,500)	(1,421,000)		(1,386,000)	(2,105,000)	(2,102,250)	(2,122,750)	(2,105,250)
2026 Bonds*	-	-	-	-	-		(1,386,000)	(2,105,000)	(2,102,250)	(2,122,750)	(2,105,250)
<i>Total Debt Service*</i>	<i>(1,615,082)</i>	<i>(1,616,290)</i>	<i>(2,885,160)</i>	<i>(3,730,528)</i>	<i>(2,327,059)</i>		<i>(3,656,311)</i>	<i>(5,827,786)</i>	<i>(5,808,733)</i>	<i>(5,854,900)</i>	<i>(5,653,750)</i>
<i>Debt Service Coverage:*</i>	<i>7.83 X</i>	<i>5.16 X</i>	<i>4.89 X</i>	<i>4.97 X</i>	<i>2.75 X</i>		<i>5.42 X</i>	<i>2.17 X</i>	<i>2.29 X</i>	<i>2.39 X</i>	<i>2.61 X</i>
<i>Debt Service Coverage without Impact Fees:*</i>	<i>6.35 X</i>	<i>3.18 X</i>	<i>3.45 X</i>	<i>3.67 X</i>	<i>1.07 X</i>		<i>4.1 X</i>	<i>1.66 X</i>	<i>1.77 X</i>	<i>1.88 X</i>	<i>2.08 X</i>

* Preliminary; subject to change.

Sources of Energy

On average, the Issuer generates approximately 16% of the electric energy requirements of its customers and purchases the balance of the energy needed to meet such requirements from various outside sources. The Issuer purchases (or has available to it) electric energy from the following sources to meet the net requirements of the System:

- energy from the federal Colorado River Storage Project (“CRSP”), which is purchased by the Issuer from the United States Department of Energy, Western Area Power Administration (“WAPA”);
- energy from the ownership interest of Utah Associated Municipal Power Systems (“UAMPS”) in the Hunter Steam Electric Generating Unit No. 2 (“Hunter 2”), a 446-megawatt coal-fired steam-electric generating unit operated by PacifiCorp, through a Power Sales Contract between the Issuer and UAMPS;
- energy purchased through the UAMPS power pool (the “UAMPS Pool”) under a Power Pooling Agreement (the “Pool Agreement”) administered by UAMPS for its members;
- energy generated by the Intermountain Power Project (“IPP”), through a Power Sales Contract between Heber City and the Intermountain Power Agency (“IPA”);
- energy generated by the Jordanelle Hydroelectric Project (“Jordanelle”), under an agreement between the Issuer and the Central Utah Water Conservancy District;
- energy generated at the Pleasant Valley Wind Project (“Pleasant Valley”), located in southwest Wyoming, through a Power Sale Contract between the Issuer and UAMPS;
- energy generated at the Horse Butte Wind Project (“Horse Butte”), located in Idaho, through a Power Sale Contract between the Issuer and UAMPS;
- energy generated at the Patua Generating Facility (“Patua”), located in Nevada, through a Firm Power Supply Agreement between the Issuer and UAMPS;
- energy generated at the Red Mesa Tapaha Solar Project (“Red Mesa”), located in Utah, through a Power Sale Contract between the Issuer and UAMPS; and
- energy generated at the Steel Solar 1A Solar Project (“Steel One”), located in Utah, through a Power Sale Contract between the Issuer and UAMPS.

The payments made by the Issuer under these contracts for purchased energy constitute Operation and Maintenance Costs of the System under the Indenture. Certain of these contracts are “take-or-pay” obligations of the Issuer and may require, under certain circumstances, that the Issuer pay for electric energy that is not delivered to or used by the Issuer.

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System Energy Resources for System Peak

	Historical							Projected					
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
System Resource (kWh)(1)													
CRSP/WAPA	45,936,492	48,656,576	48,983,723	48,955,633	55,325,570	54,283,496	47,937,203	53,134,573	40,353,413	37,528,674	34,901,667	32,458,550	30,186,452
Hunter	26,262,292	23,909,142	27,241,055	29,374,226	27,872,844	6,584,990	15,590,709	10,901,824	19,197,320	19,197,320	19,197,320	19,197,320	19,197,320
Power Pool(2)	68,653,032	61,362,837	72,327,657	75,756,602	73,375,161	62,703,492	57,599,567	45,347,918	70,996,786	70,082,052	82,533,106	79,177,819	79,177,819
IPP(3)	-	-	-	2,284,925	4,211,211	25,901,959	31,315,528	30,867,267	17,607,600	17,607,600	35,215,200	17,607,600	17,607,600
Power Plant	19,480,782	20,617,959	15,707,194	17,600,357	23,492,581	22,748,423	26,057,819	46,802,683	51,019,459	66,116,335	57,931,305	99,737,097	106,468,253
Hydroelectric	9,825,085	12,835,361	7,403,765	8,575,131	10,145,774	13,597,917	12,541,477	9,689,828	8,575,131	8,575,131	10,145,774	10,145,774	10,145,774
Patua	1,562,470	8,207,861	9,305,889	9,650,454	7,538,312	7,462,998	8,470,363	9,661,170	8,602,202	8,039,418	8,039,418	8,039,418	8,039,418
Pleasant Valley	441,891	360,148	417,583	393,955	544,123	344,155	357,579	408,491	408,491	411,993	411,993	411,993	-
Horse Butte	2,627,662	2,629,078	2,993,278	2,888,313	2,727,162	2,066,005	2,571,161	2,067,209	2,714,258	2,714,258	2,714,258	2,714,258	2,714,258
Jordanelle	15,872,375	14,901,429	16,403,141	11,555,034	10,383,171	16,725,249	16,978,313	13,766,649	16,022,051	15,872,375	14,915,630	16,403,141	15,872,375
Red Mesa	-	-	-	-	--	8,000,196	6,770,135	8,665,225	7,860,887	7,860,887	7,860,887	7,860,887	7,860,887
Steel One	-	-	-	-	--	-	10,602,345	14,364,834	10,575,105	10,575,105	10,575,105	10,575,105	10,575,105
McCormick NG	-	-	-	-	-	-	-	-	--	--	--	--	16,371,000
Resources Total	190,662,081	193,480,391	200,783,285	207,034,630	215,615,909	220,418,880	236,792,199	245,677,671	253,932,703	264,581,148	284,441,663	304,328,962	324,216,260
System Peak(kW)(4)	42,503	43,207	46,242	48,605	50,549	51,483	55,720	57,692	59,961	62,458	67,123	71,788	76,453

- (1) Table shows number of kWh utilized from listed resource. See “Electric Generation Facilities” and “Power and Energy–Outside Sources” for further details.
- (2) Power Pool includes long-term market purchases, seasonal shaped purchases, and Western Replacement Market Power from WAPA.
- (3) There are 11 MW (98,865,360 kwh) of IPP available to call back for base load as needed.
- (4) System peaks will be filled in by market supply, depending on the most economical source.

Power and Energy—Outside Sources

Set forth below are descriptions of CRSP, Hunter 2, the UAMPS Pool, IPP, Jordanelle, and other outside power sources, and the Issuer's arrangements for purchases of electric power and energy from these sources. This information has been obtained from Western Area Power Administration, UAMPS, IPA and other sources believed to be reliable. The Issuer makes no representation as to the accuracy or completeness of this information.

Colorado River Storage Project ("CRSP"). CRSP is owned by the United States of America and administered by the federal agency Western Area Power Administration ("WAPA"). CRSP provides its 670 customers which include municipalities, joint agencies like UAMPS, Rural Electric Authorities ("REAs"), investor- owned utilities, and state and federal agencies with energy. WAPA was organized to assume responsibility for the marketing and transmission of energy produced by CRSP and other federally owned energy sources. WAPA's customers in this 1,300,000 square-mile area in 15 western and central states include municipalities, rural electric cooperatives, investor-owned utilities, utility and irrigation districts and state and federal agencies. CRSP is primarily a hydroelectric-based resource, with the amounts of CRSP power and energy available for purchase by the Issuer being subject to seasonal and annual hydrologic variations in the watershed of the Colorado River Basin.

CRSP Contract. The Issuer has a firm allocation of CRSP capacity and energy that is purchased pursuant to an Integrated Contract for Electric Service between the Issuer and WAPA. The Issuer is presently entitled to purchase power and energy from CRSP through an allocation from WAPA of up to 8.9 MW of firm capacity during the winter season (October through March) 6 MW of firm capacity during the summer season (April through September). For 2024, the blended cost to the Issuer of CRSP power and energy was approximately \$29.15/MWh. The Issuer currently receives about 20% of its power from WAPA.

Rates. WAPA is obligated to review annually its rates for CRSP energy to ensure that such rates generate sufficient revenues to cover the operating and other expenses of CRSP. WAPA has had several rate increases over the past few years mainly due to operational constraints placed on the various dams in the CRSP project.

The WAPA Rate Order 199, approved in the fall of 2022, separated the cost of hydropower from replacement power. This distinction was necessary due to drought conditions reducing available hydropower. The Deliverable Sales Amount ("DSA") is the amount of hydropower capacity and energy that will be available to the customer, determined quarterly, based on the forecasted Salt Lake City Area/ Integrated Projects ("SLCA/IP") generation. Each customer receives its proportionate share of the marketable hydropower capacity and energy. The Western Replacement Firming ("WRF") power is market power that can be purchased quarterly to allow customers to maintain historical levels of energy delivery from WAPA. Customers can elect to purchase replacement energy quarterly. This energy is purchased by WAPA for the customer from the market and the cost is market-based.

The WAPA 199 rate was replaced by the WAPA-206 rate. The composite rate is 31.38 mills/kWh Energy: 12.36 mills/kWh Capacity: 5.25 \$/kW. On January 1 2024, CRSP approved a schedule of rates for firm electric service under rate order (WAPA-206) January 1, 2024, through December 31, 2028 to replace WAPA-199, which expired on December 31, 2023.

Hunter Steam Electric Generating Plant No. 2 ("Hunter 2"), Power Pooling Agreements ("Pool"), Pleasant Valley Wind Project ("Pleasant Valley"), Horse Butte Wind Project ("Horse Butte"), Patua Generating Facility ("Patua") and Red Mesa Tapaha Solar Project ("Red Mesa"). The Issuer is a member of UAMPS and as such participates in UAMPS' Hunter 2, Power Pool, Pleasant Valley, Horse Butte, Patua and Red Mesa projects. UAMPS is a separate legal entity and a political subdivision of the State of Utah, consisting of 45 members who are primarily municipalities and special districts from Utah. UAMPS was created pursuant to the provisions of the Interlocal Act and the Utah Associated Municipal Power Systems Agreement for Joint and Co-operative Action. UAMPS was formed to provide for the planning, financing, development, acquisition, construction, operation, or maintenance of one or more facilities for the generation, transmission, and/or distribution of electric energy, or an ownership interest or capacity right therein. UAMPS is governed by a Board of Directors, elected from the Member Representatives. The Issuer's General Manager, Jason Norlen, currently serves as the Issuer's representative on the UAMPS Board of Directors.

Since its creation, UAMPS has sought to develop new electric power supplies for its members through (a) the acquisition of interests in electric generating facilities, (b) the execution of long-term contracts for firm supplies of electric power and energy for resale to its members, and (c) the development of transmission access to excess power supply markets in adjacent states. Through a diversity of power supply resources, UAMPS' members, including the Issuer, are able to decrease their reliance on any single source of electric power.

Hunter 2. The Hunter 2 project consists of UAMPS' undivided 14.582% ownership interest in Hunter 2, a 446 MW coal-fired electric generating unit located in Emery County, Utah. The Issuer is entitled to 5.82% of UAMPS' ownership interest. Hunter 2 has been in commercial operation since June 1980. Hunter 2 is jointly owned by PacifiCorp, UAMPS and Deseret Generation and Transmission Cooperative ("DG&T") and is operated by PacifiCorp pursuant to an Ownership and Management Agreement among the co-owners. The output of Hunter 2 is delivered into PacifiCorp's 345 kV transmission system for transmission throughout its service area, including the Issuer. Hunter 2 underwent a major overhaul in the spring of 2023 that improved its efficiency and extended its useful life.

Under the Ownership and Management Agreement, PacifiCorp has agreed, subject to the occurrence of certain uncontrollable forces, to supply sufficient quantities of coal and water to permit operation of Hunter 2 at an average plant factor of 65%. The output of Hunter 2 is delivered into PacifiCorp's transmission system and is delivered to the participating members of UAMPS pursuant to the provisions of a Transmission Service and Operating Agreement between UAMPS and PacifiCorp.

Under its Hunter Project Power Sales Contract with UAMPS, the Issuer is entitled receive 5.82% of the output from UAMPS' 14.582% ownership interest in Hunter 2, representing approximately 3.67 MW of capacity. The Issuer is required to pay a percentage of all of UAMPS' operating, fuel, debt service, administrative and other costs of Hunter 2; such costs are billed monthly. Payments by the Issuer are made on a "take or pay" basis, regardless of whether or not Hunter 2 is operating, damaged or destroyed. A failure by a participating member of UAMPS to make payments required under its Power Sales Contract could result in increased billings to the non- defaulting participants.

The Issuer has agreed in its Hunter Project Power Sales Contract that it will charge and collect rates and charges for the electric service it provides to provide sufficient revenues to meet timely its payment obligations under its Hunter Project Power Sales Contract and to pay timely all other amounts constituting a charge on its electric revenues.

The term of the Hunter Project Power Sales Contract extends to the later of (1) the date that all of UAMPS' Hunter Project Revenue Bonds have been paid or retired, or (2) the date on which Hunter 2 is finally and definitely taken out of service or Hunter 2 is otherwise disposed of.

UAMPS Pool. UAMPS has entered into power pooling agreements (the "Pooling Agreements") with certain of its members (including the Issuer) and certain other governmental bodies (the "Pool Participants") pursuant to which UAMPS acts as each Pool Participant's agent for the purpose of: (a) the economic and efficient scheduling and dispatch of power and energy; (b) the purchase of any power and energy required to meet such Pool Participant's electric system loads or to provide reserves for such loads; (c) the sale of any power and energy available to a Pool Participant which is deemed surplus to meet its electric system loads; (d) the utilization of transmission rights and the provision of transmission services to effect power and energy deliveries to, and sales by, each Pool Participant; (e) the administration of payments and receipts with respect to each Pool Participant's purchase and sale of power and energy and transmission services; and (f) the conducting of power supply and transmission studies and the development of programs for the acquisition or construction of power and transmission resources.

The Issuer participates in the UAMPS Pool for planned and unplanned transactions. The Pooling Agreement requires the Issuer to pay the costs of the pool based on (a) direct costs of planned transactions, (b) the hourly costs of energy and associated transmission supplied on unplanned transactions and (c) the administrative costs of the pool.

IPP. The Intermountain Power Agency (IPA) is a political subdivision of the State of Utah and was organized in 1977 by 23 Utah Members under the Interlocal Act. The Intermountain Power Project (IPP) is transitioning from operating a two-unit, coal-fired, steam-electric generation station having a net capability of 1,800 MW to operating an 800 MW natural gas fired generating station, together with associated transmission lines and converter stations. The generation station is located near Lynndyl, Utah, approximately 100 miles southwest of Salt Lake City. As a

portion of IPP, IPA has constructed transmission facilities to certain points of delivery to serve its participants, consisting of a northern and southern system. The northern transmission system includes two 345 kV alternating current lines connecting the generation station with the PacifiCorp transmission system near Mona, Utah, and a 230-kV alternating current line connecting the generation station and the Gonder Substation near Ely, Nevada. IPA and PacifiCorp have interconnected the 345 kV lines with the PacifiCorp system. The California Purchasers (defined below) in IPP utilize a direct current southern transmission system to transmit their entitlements in IPP and pay the costs associated with such system.

The purchasers of electric power and energy supplied by IPP are 36 utilities (the “Purchasers”) consisting of: the Department of Water and Power of the City of Los Angeles (the “Department”) and the California cities of Anaheim, Riverside, Burbank, Glendale and Pasadena (collectively, the “California Purchasers”); PacifiCorp; 23 Utah municipalities including the Issuer (collectively, the “Utah Purchasers”); and six rural electric cooperatives which provide electric service in Utah, Arizona, Colorado, Nevada and Wyoming (collectively, the “Cooperative Purchasers”).

Under the terms of its original contract with IPA the Issuer is entitled to 0.627% of the total net generation capacity of IPP available to the Purchasers. However, under the subsequent excess power sales agreement, the Issuer has a bilateral agreement with certain California Purchasers for the duration of the IPP project unless the Issuer recalls any or all of the entitlement. In recent years, the Issuer has reclaimed some of its entitlement from the California Purchasers.

Recent Developments. The repowering of IPP to natural gas will be completed by the end of 2025 before the termination of the IPA Power Sales Contracts on June 15, 2027. IPA and the Purchasers have executed Second Amendatory Power Sales Contracts, which provide that the IPP be repowered to natural gas and that IPA offer the Purchasers renewal in their generation and associated entitlements through Renewal Power Sales Contracts, the term of which commences upon the termination of the current Power Sales Contracts on June 15, 2027. The Renewal Power Sales Contract became effective on January 17, 2017, when 100% of the entitlements were accepted.

Jordanelle. The Jordanelle Hydroelectric Generating Project is a 13 MW hydroelectric generating plant located at the Jordanelle Dam near Heber City, Utah. Jordanelle was created with a 40-year Lease of Power Privilege (the “Lease”) between the United States of America, the Central Utah Water Conservancy District (CUWCD) and the Issuer. The Lease provides for CUWCD to finance, construct, own and operate Jordanelle and, for the Issuer to purchase and market the available electric power produced.

On July 1, 2008, Jordanelle began commercial production. Under a Power Sales Contract with CUWCD, the Issuer purchases 100% of the power produced. The Issuer has sold two-thirds of the output to the cities of St. George, Utah and Lehi, Utah on an equal basis. In 2033, the Power Sales Contracts with St George and Lehi will expire, and the Issuer will retain all energy generated by the Jordanelle.

Patua. The Issuer has entered into a power purchase agreement as part of the UAMPS firm power project for power from the Patua geothermal facility near Fallon, Nevada.

Pleasant Valley. The Issuer has also entered into a Firm Power Supply Agreement with UAMPS to purchase power from the Pleasant Valley Wind Power Project, located in southwest Wyoming.

Horse Butte. The Issuer has also entered into a Power Sale Contract with UAMPS to purchase power from its Horse Butte Wind Project, a 57.6 MW wind-powered electric generating facility located in Bonneville County, Idaho.

Red Mesa. Through UAMPS’ Firm Power Project, the Issuer has a power purchase agreement for energy from the Red Mesa Tapaha Solar Project, a 66 MW solar photovoltaic generation facility to be located within the boundaries of the Navajo Nation in Utah. Red Mesa is expected to go into operation in June 2023.

Steel One. Through UAMPS' Firm Power Project, the Issuer has a power purchase agreement for energy from the Steel Solar 1A Solar Project, a 40 MW solar photovoltaic generation facility to be located within the boundaries of Box Elder County in Utah. Steel One is expected to go into operation in October 2023.

Millard County (a/k/a McCornick Natural Gas). Through UAMPS' Millard County Project, the Issuer is participating in a natural gas project currently in the development phase. A 200 MW natural gas fired reciprocating internal combustion engine peaking power plant in Millard County, Utah is expected to be online by 2029. The Issuer's participation level is 8.69 MW.

Power County. Through UAMPS' Power County Gas Project, the Issuer is participating in a natural gas project currently in the development phase. A 360 MW natural gas fired 1x1 frame-style combined cycle plant in Power County Idaho is expected to be online by 2031. The Issuer's participation level is 16.40 MW.

CERTAIN FACTORS AFFECTING THE ELECTRIC UTILITY INDUSTRY

General

The electric utility industry has been, and in the future may be, affected by a number of actions which could impact the financial condition of any public electric power utility such as the Issuer. Such factors include, among others: (i) effects of inflation on the operation and maintenance costs of an electric utility and its facilities or other increases in costs, (ii) changes from projected future load requirements and relative costs and availability of different fuels, (iii) effects of compliance with rapidly changing environmental, safety, licensing, regulatory and legislative requirements, (iv) changes resulting from conservation and demand side management programs on the timing and use of electric energy, (v) changes that might result from a national energy policy and a renewable energy portfolio or other federal or state legislative changes, (vi) effects of competition from other suppliers of electricity (including increased competition resulting from mergers, acquisitions, and "strategic alliances" of competing electric (and gas) utilities and from competitors transmitting less expensive electricity from much greater distances over an interconnected system) and new methods of producing low cost electricity, (vii) increased competition from independent power producers and marketers and brokers, (viii) "self-generation" or "distributed generation" (such as microturbines, fuel cells, and solar installations) by certain industrial and commercial customers, (ix) inadequate risk management procedures and practices with respect to, among other things, the purchase and sale of energy and transmission capacity, (x) effects of possible manipulation of electric markets, (xi) effects on the integration and reliability of the power supply from the increased usage of renewables, (xii) potential repeal of certain federal statutes that would have the effect of increasing the competitiveness of many utilities, (xiii) financial difficulties, including bankruptcy, of fuel suppliers and/or renewable energy suppliers, (xiv) changes in the electric market structure for neighboring electric grids, (xv) sudden and dramatic increases in the price of energy purchased on the open market that may occur in times of high peak demand in an area of the country experiencing such high peak demand, (xvi) effects of changes in the economy, population and demand of customers in the service areas of the Issuer, (xvii) pandemics, (xviii) acts of terrorism or cyberterrorism, (xix) natural disasters or other physical calamities, including but not limited to, rising water levels, floods, drought, winter storms, and wildfires, and potential liabilities of electric utilities in connection therewith, (xx) changes in revenues due to unseasonable changes in the weather, and (xxi) adverse impacts to the market for insurance relating to natural disasters or other physical calamities, leading to higher costs or prohibitively expensive coverage, or limited or unavailability of coverage for certain types of risk. Public power utilities also are affected by factors related to their ability to issue tax-exempt obligations and restrictions on the ability to sell, to non-governmental entities, power and energy from generation projects that are financed with outstanding, tax-exempt debt. The Issuer also could be adversely affected by technological or market developments that change the relative costs of the electric power and energy that the Issuer provides to its customers in comparison with the costs of electric power and energy available in the region.

The Issuer cannot predict what effects these factors will have on its business, operations and financial condition. Information on the electric utility industry is available from legislative and regulatory bodies and other sources in the public domain.

Federal Regulation of Transmission

Fundamental changes in the federal regulation of the electric utility industry were made by the Energy Policy Act of 1992 (the “Energy Policy Act”) particularly in the area of transmission access. The purpose of these changes, in part, was to bring about increased competition in the electric utility industry. The Energy Policy Act authorized FERC – upon application by an electric utility, federal power marketing agency, or other power generator – to require a transmitting utility to provide transmission services to the applicant on a cost-of-service basis. Municipally owned electric utilities are “transmitting utilities” for this purpose.

In 1996, FERC issued two rules on transmission access. Order No. 888 required all FERC jurisdictional utilities to provide transmission service on a non-discriminatory basis. As part of Order No. 888, FERC established a pro forma Open Access Transmission Tariff. Order No. 889 established rules of conduct for open-access providers, including a requirement to separate operationally power sales from transmission. Also in 1999, FERC issued Order No. 2000, encouraging the voluntary creation of Regional Transmission Organizations (RTOs) to manage the regional grid and meet the requirements of open access. At present, there is no RTO in the Western United States, except for California.

Order No. 1000, issued by FERC in 2011, requires public utility transmission providers to improve transmission planning processes and allocate costs for new transmission facilities to beneficiaries of those facilities, and requires public utility transmission providers to align transmission planning and cost allocation in order to remove barriers to development of transmission facilities.

In 2024, FERC issued Order Nos. 1920 and 1920-A, bringing major reforms to regional transmission planning, requiring long-term planning horizons, the development of planning scenarios, and improved cost allocation methodologies to meet future electricity demand.

These orders show a progression from establishing access and open markets (Order Nos. 888/889) to creating organizational structures (Order No. 2000) and then to more detailed reforms in long-term planning, cost allocation, and siting processes (Order Nos. 890, 1000, 1920 and 1920-A).

FERC continues to consider additional reforms to regional transmission planning processes and transmission cost allocation aimed at alleviating challenges to the transition grid posed by a changing generation resource mix. Municipally owned electric utilities are not subject to FERC jurisdiction under these orders but may be denied transmission service by a FERC-jurisdictional utility if they do not offer comparable transmission services.

MJMEUC currently owns several transmission facilities (see “MISSOURI JOINT MUNICIPAL ELECTRIC UTILITY COMMISSION – Transmission” herein) and certain of its Members own facilities which are currently classified as transmission facilities. Such transmission-owning Members and MJMEUC are subject to FERC rules described above.

Energy Policy Act of 2005

The Energy Policy Act of 2005 (the “2005 Energy Policy Act”) addressed a wide array of energy matters that could affect the entire electric utility industry, including MJMEUC and its Members. Among other things, the 2005 Energy Policy Act: (a) authorizes FERC to require non-FERC jurisdictional utilities to provide open access to their transmission systems and to comply with certain rate change provisions of the FPA; (b) authorizes FERC to order refunds for certain short-term, wholesale sales by state and municipal power entities if such sales violate FERC-approved tariffs or FERC rules; (c) allows load-serving entities that hold certain firm transmission rights to continue to use those rights to serve their customers; (d) provides for the establishment of a national electric reliability organization to develop and enforce, subject to FERC’s oversight, mandatory reliability standards for operation of the transmission grid; (e) prohibits market manipulation and submission of false information; (f) gives FERC certain authority to issue construction permits for transmission projects that are to be located in “national interest electric transmission corridors” to be designated by the Department of Energy, as subsequently clarified by the Infrastructure Investment and Jobs Act; (g) eliminates certain ownership restrictions on qualifying cogeneration and small power production facilities under the Public Utility Regulatory Policies Act and authorizes FERC to eliminate prospectively

utilities' obligation to purchase from these qualifying facilities under certain circumstances; (h) requires state utility regulatory commissions and "non regulated electric utilities" to consider adopting certain standards on net metering, fuel diversity, fossil fuel plant diversity, certain metering and time-based rate schedules and demand response, and interconnection with distributed generation facilities; (i) replaces regulation of utility holding companies under the Public Utility Holding Company Act of 1935 with more limited oversight of such companies; (j) increases FERC's authority to review mergers of public utility companies; and (k) directs FERC to establish, for transmission companies whose rates are regulated by FERC, rate incentives to invest in transmission.

Pursuant to the 2005 Energy Policy Act, certain reliability standards that have been promulgated by the North American Electric Reliability Corporation ("NERC") and adopted by FERC apply to municipally owned electric utilities. In March 2007, FERC issued Order No. 693 entitled "Mandatory Reliability Standards for the Bulk-Power System" or "Reliability Standards Order." In Order No. 743, following a series of related orders and filings from NERC, FERC revised its definition of bulk-electric system to establish a bright-line threshold that includes all facilities operated at or above 100-kV, remove regional entity discretion, and adopt specific facility inclusions or exclusions from the definition proposed by NERC. FERC has more recently issued a series of orders requiring that NERC implement new standards relating to cybersecurity and risks associated with the supply chain for the bulk-electric system. In Order No. 848, FERC directed NERC to promulgate a new rule requiring users to report incidents that both compromise or attempt to compromise the bulk-electric system. FERC followed this up with Order No. 850 in which it approved supply chain risk management reliability standards submitted by NERC. The Order No. 850 standards included requirements that covered entities develop plans to address cybersecurity risks from vendor supplied products and services, vendor remote access sessions, and the integrity of software and patches. In Order No. 851, FERC approved enhanced requirements related to geomagnetic disturbances. In August 2021, FERC approved cold weather reliability standards that require generators to implement plans to prepare for cold weather and exchange certain generator cold weather operating parameters. FERC Order No. 901, issued in 2023, directed NERC to develop new or modified reliability standards to address gaps related to inverter-based resources ("IBRs") such as solar and wind energy.

NERC continues to propose and implement reliability rules and requirements to support reliability. The Issuer cannot predict whether these new reliability requirements will impact adversely its operations.

Climate Change and Possible Future Climate Change Legislation

General. From time to time various bills are introduced in Congress and in state legislatures and regulations are proposed by various agencies (both federal and state) that could, if enacted into law, impact the regulation of the electric industry.

At the federal level, the former Biden Administration was focused on mitigating the effects of climate change as demonstrated through a variety of executive orders, the U.S. rejoining the Paris Climate Accords and the announcement of a "whole government" approach to climate change efforts. In addition, on April 30, 2024, the Group of Seven nations, an intergovernmental political and economic forum consisting of the United States, Canada, France, Germany, Italy, Japan, and the United Kingdom, announced an agreement to end the use of unabated coal plants, or coal plants which have not been fitted with carbon capture technologies, by 2035 (the "G7 Carbon Capture Agreement").

On January 20, 2025, President Donald Trump was sworn into office for his second term. President Trump immediately declared an "energy emergency" and signed a number of executive orders affecting the nation's energy infrastructure and independence. Executive orders included a focus on domestic fossil fuel growth, the reversal of various climate policies and clean energy incentives advanced by the former Biden administration, the United States' withdrawal from the Paris Climate Agreement, and substantial tariffs on key United States' trading partners. In May 2025, the United States Department of Energy announced it was cancelling \$3.7 billion in funding for carbon capture and other emissions-reduction technologies. See the discussion of the cancellation of the federal loan guarantee for the Grain Belt Express under the caption "POOL POWER PURCHASERS - Missouri Public Energy Pool #1 - MoPEP Power Supply Resources - Power Purchase Contracts." It is unknown at this time what additional actions the Trump Administration will take, if any, and the impact they will have on the implementation of laws and regulations that are currently in place, including the United States' participation in the G7 Carbon Capture Agreement. Certain of these

executive actions may face legal challenge, and the Issuer cannot predict whether these challenges will be successful or if the executive orders are sustained, the manner in which they will be implemented.

The Issuer cannot predict at this time whether any laws or regulations will be repealed or amended, or whether any additional legislation or rules will be enacted at the state or federal level that will affect its operations, and if such laws are enacted, what the impact of such actions to the Issuer might be in the future.

EPA Regulations. This section provides a brief summary of certain actions taken or under consideration regarding the regulation and control of greenhouse gases (“GHGs”), including CO₂, that have the potential to impact certain MJMEUC-owned assets including the Marshall Energy Center.

Limitations on emissions of GHGs, including CO₂, create significant exposure for electric fossil-fuel-fired generation facilities. The United States Environmental Protection Agency (the “EPA”) issued final rules regulating CO₂ emissions from various classes of electric generating units (“EGUs”) in October 2015, known as the Clean Power Plan (the “CPP”), which was replaced in 2019 by the Affordable Clean Energy (“ACE”) rule, which was in turn replaced with final Carbon Pollution Standards issued by the EPA in 2024. These rules implemented new rules for GHG emissions including carbon sequestration, emission guidelines for existing fossil-fuel generating units, new source performance standards for fossil fuel-fired stationary combustion turbines, as well as revisions to the performance standards for new or modified fossil fuel combustion turbines. The 2024 EPA pollution standards included longer compliance time frames or delayed closure if there were unforeseen delays, like supply chain difficulties, and detailed reporting to address concerns about the electric grid’s reliability.

On February 4, 2025, EPA Administrator Lee Zeldin announced the Agency’s Powering the Great American Comeback Initiative, which outlined the Agency’s priorities under the leadership of President Trump to restore American energy dominance by removing undue burdens on coal-fired EGUs while accomplishing the Agency’s core mission of protecting human health and the environment. In June 2025, the EPA announced a proposal to repeal the many of these 2024 standards, which are discussed further below. If these repeals are finalized, it would have a positive impact on coal-fired generation units and extend the useful lives of those generation assets.

The Issuer continually reviews all new rules and proposed regulations and will continue to comment with concerns and plan accordingly for any revised guidelines.

National Ambient Air Quality Standards.

The Clean Air Act requires that the EPA establish National Ambient Air Quality Standards (“NAAQS”) for certain air pollutants. When a NAAQS has been established, each state must identify areas in its state that do not meet the EPA standard (known as “non-attainment areas”) and develop regulatory measures in its state implementation plan to reduce or control the emissions of that air pollutant to meet the applicable standard and become an “attainment area.” The EPA periodically reviews the NAAQS for various air pollutants. The most recent rule on NAAQS was issued by the EPA on February 7, 2024, and lowered the primary annual standards for fine particulate matter but not the secondary standards. These periodic reviews by the EPA may result in more stringent permitting processes for new sources of emissions and additional state restrictions on existing sources of emissions, such as power plants, in the future.

However, on June 11, 2025, under EPA’s initiative to Powering the Great American Comeback Initiative, the EPA proposed to repeal GHG emissions standards for fossil fuel-fired power plants (both coal and natural gas) promulgated under Section 111 of the Clean Air Act in an effort to remove unnecessary burdens on fossil fuel-fired EGUs. Those reforms, if finalized, would have a positive impact on coal and natural gas-fired generation units and extend the useful lives of these generation assets.

Mercury and Air Toxics Standards Rule.

The Clean Air Act provides for a comprehensive program for the control of hazardous air pollutants (“HAPs”), including mercury. On February 16, 2012, EPA finalized a rule called the Mercury and Air Toxics Standards (“MATS”) to reduce emissions of toxic air pollutants, including mercury, from coal and oil-fired electric

generating units, and subsequently amended the rule in 2013 and 2014. The MATS rule set technology-based emission limitation standards for mercury and other toxic air pollutants, based upon reductions available through “maximum achievable control technology” at coal and oil-fired electric generating units. On April 3, 2023, the EPA proposed an update to the MATS rule to reflect recent developments in control technologies and the performance of these plants. On May 7, 2024, the EPA issued a new final rule for MATS as applied to coal- and oil-fired power plants (the “2024 MATS Rule”). Under the 2024 MATS Rule, the emission of non-mercury HAP metals from existing coal-fired power plants will be reduced by approximately 67% and emission limits for mercury for existing lignite-fired power plants will also be reduced by 70%. The 2024 MATS Rule required the use of continuous emissions monitoring systems to comply with the filterable particulate matter standard, and it removed the extended startup period exemption.

In June 2025, the EPA announced a proposal to repeal the 2024 MATS Rule, reverting the requirements back to the more lenient 2012 standards. The EPA argues that the 2024 standards did not provide meaningful health benefits and were overly burdensome, potentially saving up to \$1 billion in regulatory costs over a decade. Those reforms, if finalized, would have a positive impact on coal and natural gas-fired generation units and extend the useful lives of these generation assets.

Internal Combustion Maximum Achievable Control Technology Rule.

In 2010, the EPA issued a final rule regulating hazardous air pollutant emissions from Compression Ignition Reciprocating Internal Combustion Engines (“CI-RICE”) larger than 100 braking horsepower, including formaldehyde. The rule provided differing mandatory requirements for engines based on total horsepower, with the most stringent controls, including the installation of catalytic converters, reserved for units over 500 horsepower. The rule allows cities to designate these units for “emergency only” operation, and generate energy with the units without any emission controls when power is interrupted from their regular supplier. [Impact on the Issuer?]

Utah Legislative Activities

In 2008, the Utah Legislature adopted legislation implementing an optional renewable portfolio standard (“RPS”) for municipal electric utilities and electrical corporations. It set the Utah RPS at 20% by 2025, but only if it was cost-effective for a municipal or cooperative utility. It is anticipated that legislation increasing the RPS to 50% by 2030 will be introduced, and that it will allow all zero-carbon resources to be eligible.

It is not possible to predict whether future legislation will be enacted by Congress or the Utah Legislature that would restructure the electric utility industry or what the substance and effect of any such legislation or future regulatory actions might be.

Regional Haze

The EPA’s Regional Haze Rule requires emissions controls using best available retrofit technology (“BART”) for industrial facilities emitting air pollutants that impair visibility in Class I areas (national parks and wilderness areas). Such pollutants include fine particulate matter (“PM2.5”) and compounds that contribute to PM2.5, such as nitrogen oxides, sulfur dioxides, certain volatile organic compounds and ammonia.

While the Issuer reports that the System is operated to maintain compliance with federal and state environmental rules and regulations, the Issuer cannot predict at this time whether any additional legislation or rules will be enacted which will affect the operations of the Issuer, and if such laws or rules are enacted, what the costs to the Issuer might be in the future because of such action.

Gas and Electric Prices

The sources of electric power and natural gas are limited and their availability can be further restricted by a variety of factors, including production activities, political decisions and environmental factors. Their prices are affected by supply and demand. The supply and demand nature of the electric and gas markets causes those markets to fluctuate from time to time, sometimes quite significantly. The Issuer cannot predict what these markets will do in the future.

An increase in natural gas and electric power costs will increase the cost of gas and power to the Issuer, which costs are Operation and Maintenance Expenses of the System payable from Revenues prior to the payment of debt service on the Series 2026 Bonds. An increase in the cost of natural gas or power could negatively impact Net Revenues of the Issuer.

Technological Changes

The electric utility industry is subject to changes in technologies. Recent advances in electrical generation technologies may render electrical generation on a smaller scale more technically feasible and economically attractive. Such technologies would provide certain customers with the ability to generate their own electrical power and reduce or eliminate their dependency on power provided by the Issuer. The Issuer cannot predict the timing of the development or availability of such technologies and the ultimate impact they would have on the Revenues of the System.

OTHER INVESTMENT CONSIDERATIONS

Series 2026 Bonds are Limited Obligations

The Series 2026 Bonds are special limited obligations of the Issuer, payable solely from the Net Revenues, moneys, securities and funds pledged therefor in the Indenture. The Net Revenues consist of the revenues, fees and other income received by the Issuer from the operation of the System less Operation and Maintenance Costs. See “SECURITY FOR THE BONDS—Pledge of the Indenture” herein. Neither the faith and credit nor the taxing power of the State or any of its political subdivisions, including the Members, is pledged to the Series 2026 Bonds. The Issuer has no taxing power.

The Issuer will not mortgage or grant any security interest in the improvements financed with the proceeds of the Series 2026 Bonds or any portion thereof to secure payment of the Series 2026 Bonds.

Climate Change and Natural Disasters

Climate change caused by human activities may have adverse effects on the System. As greenhouse gas emissions continue to accumulate in the atmosphere as a result of economic activity, climate change is expected to intensify, increasing the frequency, severity and timing of extreme weather events such as drought, wildfires, floods and heat waves, and rising sea levels. The Issuer has taken steps to mitigate the risk of wildfires by regular brush-clearing maintenance and, where possible, the use of growth inhibitors to reduce brush around System facilities. The Issuer has also recently adopted a procedure to clear cut and maintain areas of highest risk for wildfire damage.

The future fiscal impact of climate change on the System is difficult to predict, but it could be significant, and it could have a material adverse effect on the Issuer’s finances by requiring greater expenditures to counteract the effects of climate change or by changing the business and activities of Issuer customers. The drought conditions currently being felt in the Western United States have impacted the Issuer in areas such as a curtailment of hydro-electric generation and increased insurance premiums for wildfire risk. The Issuer considers these impacts and other potential effects of climate change in its planning.

Cybersecurity

The risk of cyberattacks against enterprises, including those operated for a governmental purpose, has become more prevalent in recent years. At least one of the rating agencies factors the risk of such an attack into its ratings analysis, recognizing that a cyberattack could affect liquidity, public policy and constituent confidence, and ultimately credit quality. A cyberattack could cause the informational systems of the Issuer to be compromised and could limit operational capacity, for short or extended lengths of time and could bring about the release of sensitive and private information. Additionally, other potential negative consequences include data loss or compromise, diversion of resources to prevent future incidences and reputational damage. To date, the Issuer has not been the subject of a successful cyberattack. The Issuer believes it has made all reasonable efforts to ensure that any such attack is not successful and that the information systems of the Issuer are secure. The Issuer conducts regular employee

training and utilizes advanced filtering and threat detection/prevention tools to help protect against cyberattacks. Issuer also maintains insurance against such an event. The insurer regularly conducts pen tests and other verification processes to ensure adequate protection exists. However, there can be no assurance that a cyberattack will not occur in a manner resulting in damage to the Issuer's information systems or other challenges.

Physical Security

Certain physical security concerns present a risk to the Issuer's facilities, such as sabotage, terrorist attacks and other crime. The Issuer has taken measures to ensure critical assets are protected. The Issuer has implemented and is in the process of implementing a number of security measures, including but not limited to, electronic access control, security lighting, restricted access areas, perimeter intrusion alarms, increased monitoring, fencing, signage, policies, procedures and employee training programs.

LEGAL MATTERS

General

All legal matters incident to the authorization and issuance of the Series 2026 Bonds are subject to the approval of Gilmore & Bell, P.C., Bond Counsel to the Issuer. The approving opinion of Bond Counsel will be delivered with the Series 2026 Bonds. The opinion of Bond Counsel will be in substantially the form set forth in "APPENDIX E" to this Official Statement. Certain matters will be passed upon for the Issuer by Gilmore & Bell, P.C., as disclosure counsel to the Issuer. Certain legal matters will be passed upon for the Issuer by Adam Long, Esq., General Counsel to the Issuer. Certain matters will be passed upon for the Underwriter by Farnsworth Johnson PLLC.

Absence of Litigation

A non-litigation letter executed by Adam Long, Esq., General Counsel to the Issuer, dated the date of original delivery of the Series 2026 Bonds, will be provided stating, among other things, that, to the best of his knowledge, after due inquiry, there are no legal or governmental proceedings (including any action, suit, proceeding, inquiry or litigation or investigation at law or in equity before or by any court, public board or body, or any governmental or administrative authority or agency) pending, threatened or contemplated (or any basis therefor), challenging the creation, organization or existence of the Issuer, or the titles of its officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the Series 2026 Bonds, or for the purpose of restraining or the source of payment for the Series 2026 Bonds or the imposition, levy or collection of the taxes included in the Revenues, or directly or indirectly contesting or affecting the proceedings or the authority by which the Series 2026 Bonds are issued or the validity of the Series 2026 Bonds or the issuance thereof.

TAX MATTERS

The following is a summary of the material federal and State income tax consequences of holding and disposing of the Series 2026 Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Series 2026 Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Series 2026 Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Series 2026 Bonds.

Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Issuer, under the law currently existing as of the issue date of the Series 2026 Bonds:

Federal Tax Exemption. The interest on the Series 2026 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes.

Alternative Minimum Tax. The interest on the Series 2026 Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

No Bank Qualification. The Series 2026 Bonds have not been designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

Bond Counsel’s opinions are provided as of the date of the original issue of the Series 2026 Bonds, subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended (the “Code”) that must be satisfied subsequent to the issuance of the Series 2026 Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series 2026 Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2026 Bonds.

State of Utah Tax Exemption. The interest on the Series 2026 Bonds is exempt from State individual income taxes.

Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Series 2026 Bonds but has reviewed the discussion under this heading, “TAX MATTERS.”

Other Tax Consequences

Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Series 2026 Bond over its issue price. The stated redemption price at maturity of a Series 2026 Bond is the sum of all payments on the Series 2026 Bond other than “qualified stated interest” (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Series 2026 Bond is generally the first price at which a substantial amount of the Series 2026 Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Series 2026 Bond during any accrual period generally equals (1) the issue price of that Series 2026 Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Series 2026 Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Series 2026 Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner’s tax basis in that Series 2026 Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Series 2026 Bond over its stated redemption price at maturity. The stated redemption price at maturity of a Series 2026 Bond is the sum of all payments on the Series 2026 Bond other than “qualified stated interest” (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Series 2026 Bond is generally the first price at which a substantial amount of the Series 2026 Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the Series 2026 Bond using constant yield principles, based on the purchaser’s yield to maturity. As premium is amortized, the owner’s basis in the Series 2026 Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Series 2026 Bond prior to its maturity. Even though the owner’s basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.

Sale, Exchange, or Retirement of Series 2026 Bonds. Upon the sale, exchange, or retirement (including redemption) of a Series 2026 Bond, an owner of the Series 2026 Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property actually or constructively received on the sale, exchange, or retirement of the Series 2026 Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Series 2026 Bond. To the extent a Series 2026 Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Series 2026 Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Series 2026 Bonds, and to the proceeds paid on the sale of the Series 2026 Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Series 2026 Bonds should be aware that ownership of the Series 2026 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, certain applicable corporations subject to the corporate alternative minimum tax, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Series 2026 Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Series 2026 Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Series 2026 Bonds, including the possible application of state, local, foreign and other tax laws.

Bond Counsel notes that interest on the Series 2026 Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax.

BOND RATINGS

S&P Global Ratings ("S&P") has assigned a municipal bond rating of ["___"] to the Series 2026 Bonds [with the understanding that upon delivery of the Series 2026 Bonds, the Policy guaranteeing the payment when due of the principal of and interest on the Series 2026 Bonds will be issued by the Insurer. See "BOND INSURANCE" above.]

Moody's Investor's Service ("Moody's") and Fitch Ratings and have assigned [underlying] ratings of ["___"] and ["___"] (outlook ____), respectively, to the Series 2026 Bonds.

Such ratings assigned to the Series 2026 Bonds do not constitute a recommendation by the rating agency assigning such rating to buy, sell or hold the Series 2026 Bonds. Such rating reflects only the view of such organization and any desired explanation of the significance of such rating should be obtained from that rating agency. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies, and assumptions of its own.

Any explanation of the significance of these ratings may only be obtained from the rating service furnishing the same. There is no assurance that the ratings given outstanding obligations will be maintained for any period of time or that the ratings may not be lowered or withdrawn entirely by the rating agency if, in its judgment, circumstances so warrant. Any such downward change or withdrawal of such ratings may have an adverse effect on the market price of the Series 2026 Bonds.

CONTINUING DISCLOSURE

The Issuer will enter into an undertaking (a “Disclosure Undertaking”) for the benefit of the Beneficial Owners to provide certain financial information and operating data (the “Annual Report”) and to provide notices of the occurrence of certain enumerated events (the “Listed Events”). The Issuer will undertake to provide its Annual Report to the Municipal Securities Rulemaking Board (the “MSRB”) through its Electronic Municipal Market Access system (“EMMA”). Notices of Listed Events will be filed with MSRB through EMMA. The specific nature of the information to be included in the Annual Report and the notices of Listed Events is set forth in APPENDIX D. This undertaking will be entered into in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the “Rule”).

The Issuer reports that [_____].

A failure by the Issuer to comply with the Disclosure Undertaking will not constitute a default under the Indenture and the Beneficial Owners of the Series 2026 Bonds are limited to the remedies provided in the Disclosure Undertaking. A failure by the Issuer to comply with the Disclosure Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Series 2026 Bonds in the secondary market. Any such failure may adversely affect the marketability of the Series 2026 Bonds.

UNDERWRITING

The Series 2026 Bonds are being purchased by Stifel, Nicolaus & Company, Incorporated (the “Underwriter”), pursuant to a Bond Purchase Contract between the Issuer and the Underwriter (the “Purchase Contract”). The Purchase Contract provides that the Underwriter will purchase all of the Series 2026 Bonds, if any are purchased, at a purchase price of \$[_____] (representing the aggregate principal amount of the Series 2026 Bonds plus [net] original issue premium of \$[_____] and less an Underwriter’s discount of \$[_____]).

The obligation of the Underwriter to purchase the Series 2026 Bonds is subject to a number of terms and conditions set forth in the Purchase Contract between the Issuer and the Underwriter. The Underwriter has advised the Issuer that it intends to make a public offering of the Series 2026 Bonds at the yields and prices set forth on the inside cover page hereof. Such yields and prices may be changed from time to time by the Underwriter. The Underwriter may offer and sell Series 2026 Bonds to certain dealers (including dealers depositing bonds into investment trusts) and others at prices lower than the offering yields and prices stated on the inside cover page hereof. Although the Underwriter expects to maintain a secondary market in the Series 2026 Bonds after the initial offering, no assurance can be made that such a market will develop or be maintained by the Underwriter or others.

MISCELLANEOUS

Independent Auditors

The general purpose financial statements of the Issuer at and for the fiscal years ended December 31, 2024 and 2023, contained in APPENDIX A to this Official Statement, have been audited by Squire & Company, PC (“Squire”), independent auditors. Squire has not been asked to consent to the use of its name and audited financial statements in this Official Statement.

Municipal Advisor

The Issuer has engaged LRB Public Finance Advisors, Inc., Salt Lake City, Utah (the “Municipal Advisor”), to provide financial recommendations and guidance to the Issuer with respect to preparation for sale of the Series 2026 Bonds, timing of sale, tax-exempt bond market conditions, costs of issuance and other factors relating to the sale of the Series 2026 Bonds. The Municipal Advisor has read and participated in the drafting of certain portions of this Official Statement. The Municipal Advisor has not audited, authenticated or otherwise verified the information set forth in the Official Statement, or any other related information available to the Issuer, with respect to accuracy and completeness of disclosure of such information, and no guaranty, warranty or other representation is made by the

Municipal Advisor respecting accuracy and completeness of the Official Statement or any other matters related to the Official Statement. Municipal Advisor fees are contingent upon the sale and delivery of the Series 2026 Bonds.

Additional Information

The Issuer has furnished all information in this Official Statement relating to the Issuer. Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates herein will be realized.

All quotations contained herein from and summaries and explanations of the Utah Constitution, statutes, programs, laws of the State, court decisions, and the Indenture do not purport to be complete, and reference is made to said Constitution, statutes, programs, laws, court decisions and the Indenture for full and complete statements of their respective provisions.

This Preliminary Official Statement is in a form “deemed final” by the Issuer for purposes of Rule 15(c)(2)-12 of the Securities and Exchange Commission.

The appendices attached hereto are an integral part of this Official Statement and should be used in conjunction with the foregoing material.

This Official Statement has been duly approved, executed and delivered by the Issuer.

HEBER LIGHT & POWER COMPANY

APPENDIX A

**HEBER LIGHT & POWER COMPANY
AUDITED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 2024 AND 2023**

APPENDIX B

EXTRACTS OF CERTAIN PROVISIONS OF THE INDENTURE

The following excerpts briefly outline certain provisions contained in the General Indenture and are not to be considered as a full statement thereof. Reference is made to the General Indenture and the Sixth Supplemental Indenture for full details of the terms of the Series 2026 Bonds, the security provisions appertaining thereof, and the application of the Revenues, and the definition of any terms used but not defined in this Official Statement

Definitions

Set out below are certain definitions contained in the Indenture and used elsewhere in this Official Statement.

“Accreted Amount” means, with respect to Capital Appreciation Bonds of any Series and as of the date of calculation, the amount established pursuant to the Supplemental Indenture authorizing such Capital Appreciation Bonds as the amount representing the initial public offering price, plus the accumulated and compounded interest on such Bonds.

“Additional Bonds” means any Bonds issued after the first Series of Bonds issued under the Indenture. “Adjusted Net Revenues” means, for purposes of the issuance of Additional Bonds under the Indenture, the

Net Revenues for the Fiscal Year or Year selected by the Company adjusted to reflect additional Revenues attributable to (1) any rate increases adopted by the Company that took effect during or subsequent to such Fiscal Year or Year and (2) any additional customers connected to the System during or subsequent to such Fiscal Year or Year.

“Aggregate Debt Service” means, as of any date of calculation and with respect to any period, the sum of the amounts of Debt Service for all Series of Bonds Outstanding.

“Annual Budget” means the annual budget for the Company for each Fiscal Year.

“Balloon Bonds” means Bonds, other than Bonds which mature within one year of the date of issuance thereof, 25% or more of the Principal Installments on which (a) are due or, (b) at the option of the Holder thereof may be redeemed, during any period of a Year.

“Bond Anticipation Notes” means Bonds issued by the Company in advance of the permanent financing for the Cost of Construction of a Project.

“Bondowner” or “Owner,” or any similar term, means the owner of any Bond or Bonds. In the case of a fully-registered Bond, Bondowner means the registered owner of such Bond.

“Bond Payment Date” means each date on which (1) interest on the Bonds is due and payable or (2) Principal of the Bonds is payable at maturity or pursuant to Sinking Fund Installments.

“Bonds” means bonds, notes or other obligations (other than Subordinated Indebtedness and Repayment Obligations) authorized by and at any time Outstanding pursuant to the Indenture.

[“Build America Bonds” means the interest subsidy bonds issuable by the Issuer under Sections 54AA and 6431 of the Code and a “qualified bond” under Section 54AA(g)(2) of the Code or such other tax credit bonds of substantially similar nature which may be hereafter authorized.]

“Business Day” means a day of the year which is not a Saturday, Sunday or legal holiday in New York, New York, or Salt Lake City, Utah, or a day on which the Trustee is authorized or obligated to close.

“Capital Appreciation Bonds” means Bonds the interest on which (1) is compounded and accumulated at the rates and on the dates set forth in the Supplemental Indenture authorizing the issuance of such Bonds and designating them as Capital Appreciation Bonds, and (2) is scheduled to be payable upon maturity or redemption of such Bonds.

“Code” means the Internal Revenue Code of 1986, as amended and supplemented from time to time. Each reference to a section of the Code shall be deemed to include the United States Treasury Regulations, including temporary and proposed regulations, relating to such section which are applicable to the Indenture, including the Bonds, the use of Bond proceeds and the facilities financed or refinanced with the Bonds.

“Cost” or “Cost of Construction” means the costs of the Company properly attributable to the acquisition, construction and placing in service of each project and all expenses preliminary and incidental thereto incurred by the Company in connection therewith and in the issuance of the Bonds, including all costs and expenses incurred by the Company in connection with its investigation, negotiation and review of each Project, and further including certain items set forth in the Indenture.

“Crossover Date” means with respect to Crossover Refunding Bonds the date on which the principal portion of the related Crossover Refunded Bonds is scheduled to be paid or redeemed from the proceeds of such Crossover Refunding Bonds.

“Crossover Refunded Bonds” means Bonds refunded by Crossover Refunding Bonds.

“Crossover Refunding Bonds” means Refunding Bonds the proceeds of which are irrevocably deposited in escrow to secure the payment on the Crossover Date of the principal or Redemption Price of the Crossover Refunded Bonds (subject to possible use to pay the principal or Redemption Price of the Crossover Refunding Bonds under certain circumstances) and the earnings on such escrow deposit are to be applied to pay interest on the Crossover Refunding Bonds to and including the Crossover Date.

“Current Interest Bonds” means all Bonds other than Capital Appreciation Bonds. Interest on Current Interest Bonds shall be payable periodically on the interest payment dates provided therefor in a Supplemental Indenture.

“Debt Service” means, for any particular Fiscal Year and for any Series of Bonds, an amount equal to the sum of

1. all interest payable during such Fiscal Year on such Bonds Outstanding, plus
2. the Principal Installments payable during such Fiscal Year on such Bonds Outstanding (other than Bond Anticipation Notes).

“Debt Service Reserve Requirement” means an amount equal to the least of: (1) the sum of ten percent of the original Principal amount of each Series of Bonds; (2) the Maximum Annual Debt Service on the Bonds; and (3) 125% of the Average Annual Debt Service on the Bonds. The Debt Service Reserve Requirement shall be calculated on the date of original issuance of the first Series of Bonds issued under the Indenture and shall be recalculated on the date of original issuance of any Series of Additional Bonds. The Company may, but shall be under no obligation to, recalculate the Debt Service Reserve Requirement upon the issuance of a Series of Refunding Bonds to reflect the Bonds Outstanding after such issuance.

“Direct Payments” means the interest subsidy payments received by the Issuer from the United States Treasury pursuant to Section 6431 of the Code with respect to Bonds issued under the Indenture.

“Escrowed Interest” means earnings on amounts irrevocably deposited in escrow in connection with the issuance of Crossover Refunding Bonds which are required to be applied to pay interest on such Crossover Refunding Bonds to and including the Crossover Date.

“Fiscal Year” means the annual accounting period of the Company as from time to time in effect, initially a period commencing on January 1 of each Calendar Year and ending on the next succeeding December 31.

“Fund” means one of the funds established pursuant to the Indenture, including the Construction Fund, the Revenue Fund, the Bond Fund, the Subordinated Indebtedness Fund, the Renewal and Replacement Fund and the Rate Stabilization Fund, together with any additional funds established by Supplemental Indenture pursuant to the Indenture.

“Indenture” means collectively, the Trust Indenture, dated October 1, 2002, by and between the Company and the Trustee, as it may be from time to time supplemented and amended and the First Supplemental Trust Indenture, dated as of October 1, 2002, by and between the Company and the Trustee.

“Interest Rate Swap” means an agreement between the Company or the Trustee and a Swap Counterparty related to Bonds of one or more Series whereby a variable rate cash flow (which may be subject to any interest rate cap) on a principal or notional amount is exchanged for a fixed rate of return on an equal principal or notional amount. If the Company or the Trustee enters into more than one Interest Rate Swap with respect to a Series of Bonds, each Interest Rate Swap shall specify the same payment dates.

“Maximum Annual Debt Service” means the greater of (1) the Aggregate Debt Service during the current Fiscal Year or (2) the Aggregate Debt Service in any future Fiscal Year.

“Members” means, collectively, Heber City, Midway City, Charleston Town and any other public agency that may become a party to the Organization Agreement pursuant to the Act.

“Moody’s” means Moody’s Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation shall no longer perform the functions of a securities rating agency, “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Company, with the approval of the Trustee.

“Operation and Maintenance Costs” means all actual operation and maintenance costs related to the Project incurred by the Company in any particular Fiscal Year or period to which said term is applicable or charges made therefor during such Fiscal Year or period, but only if such charges are made in accordance with Generally Accepted Accounting Principles, including amounts reasonably required to be set aside in reserves for items of Operation and Maintenance Costs the payment of which is not then immediately required.

Operation and Maintenance Costs include, but are not limited to, costs of operating and maintaining the System, fuel costs, the costs of ordinary repairs, renewals, and replacements to the System; salaries and wages, employees’ health, hospitalization, pension, retirement and other expenses; fees and expenses for services, materials and supplies; rents, administrative and general expenses; insurance expenses; periodic costs of any Security Instruments or Reserve Instruments; Fiduciaries’ fees and expenses; Remarketing Agents’ and other agents’ fees and expenses; legal, engineering, accounting, financing and financial advisory fees and expenses, and fees and expenses of other consulting and technical services; training of personnel; taxes; payments in lieu of taxes and other governmental charges; costs and expenses relating to the decommissioning, termination and removal from service of any part of the System, all to the extent properly allocable to the System.

Operation and Maintenance Costs do not include depreciation or obsolescence charges or reserves therefor; amortization of intangibles or other bookkeeping entries of a similar nature; interest charges and charges for the payment of principal, or amortization, of bonded or other indebtedness of the Company, or costs, or charges made therefor; costs or charges for capital improvements to or retirements from the System which under Generally Accepted Accounting Principles are properly chargeable to the capital account or the reserve for depreciation and do not include losses from the sale, abandonment, reclassification, revaluation or other disposition of any properties of the System; or payments due as a result of the termination of any Interest Rate Swap or commodity swap.

“Organization Agreement” means the Organization Agreement dated September 9, 2002, and amended in March 2010 and October 2014, among the Members.

“Paired Obligations” shall mean any Series (or portion thereof) of Bonds designated as Paired Obligations in the Supplemental Indenture authorizing the issuance or incurrence thereof, which are simultaneously issued or incurred (i) the principal of which is of equal amount maturing and to be redeemed (or cancelled after acquisition thereof) on the same dates and in the same amounts, and (ii) the interest rates which, taken together, result in an irrevocably fixed interest rate obligation of the Company for the terms of such Bonds.

“Principal Installment” means, as of any date of calculation, with respect to any Series of Bonds, (1) the Principal amount of Bonds of such Series due on a certain future date for which no Sinking Fund Installments have

been established, or (2) the unsatisfied balance of any Sinking Fund Installment due on a certain future date for Bonds of such Series.

“Project” means the acquisition, construction, addition, extension and/or improvement of rights, properties, facilities or equipment constituting a part of the System and designated as a Project by the Company in a Supplemental Indenture. A Project may include, but is not limited to, properties, facilities and equipment for the generation, transmission and distribution of electric power and energy, fuel supplies and other rights or interests used or useful in the operation and management of the System.

“Rate Covenant Requirement” means, for each Fiscal Year, an amount equal to at least the sum of (a) 125% of the Aggregate Debt Service, (b) 100% of the Repayment Obligations, if any, due and payable during such Fiscal Year, and (c) 100% of the amounts, if any, required to be deposited into the Debt Service Reserve Account pursuant to the Indenture.

“Rate Stabilization Fund” means the Fund by that name established pursuant to the Indenture.

“Rating Agency” means Moody’s or S&P or any other rating agency so designated in a Supplemental Indenture.

“Refunding Bonds” means Bonds issued to refund a Series of Bonds previously issued.

“Reserve Instrument” means a letter of credit, surety bond or similar instrument issued by a bank, insurance company or other financial institution to satisfy all or any portion of the Debt Service Reserve Requirement.

“Revenues” means all revenues, fees, income, charges, rents, and receipts derived by the Company from or attributable to the System and the sale of the output, capacity or services of the System, including the proceeds of any insurance covering business interruption loss, all as determined in accordance with Generally Accepted Accounting Principles. “Revenues” also includes all interest, profits or other income derived from the investment of any moneys held pursuant to the Indenture and required to be paid into the Revenue Fund and any net income realized by the Company from capital contributions or payments in aid of construction made by subdividers and developers and Direct Payments. Revenues shall not include (1) insurance proceeds resulting from casualty damage to the System; (2) the proceeds from the sale of the Bonds; or (3) moneys received under any Security Instrument or Reserve Instrument.

“S&P” means Standard & Poor’s Credit Market Services, a division of The McGraw-Hill Companies Inc., its successors and assigns, and, if such entity shall no longer perform the functions of a securities rating agency, “S&P” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Company, with the approval of the Trustee.

“Security Instrument” means an instrument or other device issued by a bank, insurance company or other financial institution to pay, or to provide security or liquidity for, a Series of Bonds.

“Series” means all of the Bonds designated as being of the same Series authenticated and delivered on original issuance in a simultaneous transaction, and any Bonds thereafter authenticated and delivered in lieu thereof or in substitution therefor pursuant to the Indenture.

“Series Subaccount” means the separate subaccount created for each Series of Bonds in the Debt Service Account.

“Sinking Fund Installment” means an amount so designated for a Series of Bonds pursuant to the Indenture. “Subordinated Indebtedness” means any bond, note or other evidence of indebtedness which is expressly made subordinate and junior in right of payment to the Bonds and which complies with the provisions of the Indenture.

“Supplemental Indenture” means any indenture supplementing or amending the Indenture entered into in accordance with the terms of the Indenture.

“Swap Counterparty” means a member of the International Swap Dealers Association rated in one of the three top rating categories by at least one Rating Agency.

“Swap Payments” means as of each scheduled payment date specified in an Interest Rate Swap, the amount, if any, payable to the Swap Counterparty by the Company (or by the Trustee on behalf of the Company).

“Swap Receipts” means as of each payment date specified in an Interest Rate Swap, the amount, if any, payable to the Company (or to the Trustee for the account of the Company) by the Swap Counterparty.

“Swap Termination Payment” means the amount, if any, payable by the Company (or by the Trustee for the account of the Company) or by the Swap Counterparty as a result of the termination of an Interest Rate Swap.

“Trustee” means U.S. Bank Trust Company, National Association, and its successors and assigns, and any other corporation or association which may at any time be substituted in its place as provided in the Indenture.

“Variable Rate Bonds” means, as of any date of calculation, Bonds the terms of which on such date of calculation are such that interest thereon for any future period of time is expressed to be calculated at a rate which is not then susceptible of a precise determination.

As used in the Indenture, the term “principal” means (1) with respect to any Capital Appreciation Bond, the Accreted Amount thereof, and (2) with respect to any Current Interest Bond, the principal amount of such Bond payable at maturity; provided, however, that for purposes of all consents, votes, directions, notices, approvals and other actions taken by the Bondowners under Article VIII or Article IX of the Indenture, (a) the principal of each Capital Appreciation Bond shall be deemed to be the Accreted Amount thereof as of the most recent compounding or accretion date, and (b) the principal of each Bond Anticipation Note shall be deemed to be zero.

Establishment of Funds

The following funds are established under the Indenture:

- (1) Construction Fund, to be held by the Trustee, in which the Trustee shall establish a Project Account for each Project;
- (2) Revenue Fund, to be held by the Company;
- (3) Bond Fund, to be held by the Trustee, consisting of a Debt Service Account, in which the Trustee shall establish a separate Series Subaccount for each Series of Bonds, and each Interest Rate Swap and a Debt Service Reserve Account;
- (4) Subordinated Indebtedness Fund, to be held by the Trustee;
- (5) Renewal and Replacement Fund, to be held by the Company; and
- (6) Rate Stabilization Fund, to be held by the Company.

The Company may, by Supplemental Indenture, establish one or more additional Funds, accounts or subaccounts.

Pledge of the Indenture

The Bonds are special obligations of the Company payable from and secured by the Revenues, moneys, securities and funds pledged therefor under the Indenture. The Indenture pledges for the payment of Principal or Redemption Price of and interest on the Bonds in accordance with their terms and the provisions of the Indenture, subject only to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture, all right, title and interest of the Company in and to (1) the proceeds of sale of the Bonds, (2) the Revenues, and (3) all Funds established by the Indenture (except for the Rebate Fund), including

the investments, if any, thereof, subject to any required rebate of all or a portion of the earnings on such investments to the United States of America pursuant to the requirements of the Code. The Indenture provides that the Company may by Supplemental Indenture pledge the Revenues to secure its repayment obligations to the issuer of any Reserve Instrument, provided that any such pledge shall be subject to the provisions of the Indenture.

Flow of Funds

All Revenues shall be promptly deposited by the Company to the credit of the Revenue Fund. The Operation and Maintenance Costs shall be paid by the Company out of the amounts on deposit in the Revenue Fund, from time to time as such costs become due and payable. The Company may accumulate such additional amounts in the Revenue Fund as are reasonably necessary to provide for the payment of items of Operation and Maintenance Costs which accrue over time and which are payable less frequently than monthly.

On or before the last Business Day of each month (and at such times as may be necessary to provide for the full and timely payment of all Bond Payments and Swap Payments), the Company shall, after the payment of Operation and Maintenance Costs then due, from and to the extent of the moneys on deposit in the Revenue Fund, transfer and deposit into the following Funds the amounts set forth below in the following order:

(1) first, into the Bond Fund for credit to the Debt Service Account, the amount, if any, required so that the balance in each of the Series Subaccounts in the Debt Service Account shall equal the Accrued Debt Service on the Series of Bonds for which such Series Subaccount was established;

(2) second, into the Bond Fund for credit to the Debt Service Reserve Account, if moneys shall ever have been paid out of the Debt Service Reserve Account for the purpose specified in the Indenture or a draw on a Reserve Instrument shall have been made or if for any other reason moneys in the Debt Service Reserve Account shall have been removed and in any such case if such moneys shall not have been replaced from any source, such amount of the money remaining in the Revenue Fund, or all of the money so remaining if less than the amount necessary, until either the amount so paid out of or removed from the Debt Service Reserve Account or drawn on the Reserve Instrument shall have been replaced, so as to cause an amount equal to the Debt Service Reserve Requirement to be on deposit in the Debt Service Reserve Account;

provided, however, that so long as there shall be held in the Bond Fund cash and Investment Securities in an amount sufficient to pay in full all Outstanding Bonds in accordance with their terms, no deposits shall be required to be made into the Bond Fund; and

(3) third, into the Subordinated Indebtedness Fund, such amount as shall be necessary to pay timely the principal of and interest on, or other payment obligations in respect of, Subordinated Indebtedness and reserves therefor, as provided in the resolution, indenture or other instrument, including a Supplemental Indenture, securing such Subordinated Indebtedness.

(4) fourth, into the Renewal and Replacement Fund such amount as shall be necessary so as to cause the amount set forth in the Annual Budget for the then-current Fiscal Year to be deposited into the Renewal and Replacement Fund by the end of such Fiscal Year.

Amounts remaining on deposit in the Revenue Fund after the transfers provided for in the Indenture may be transferred from time to time by the Company into the Rate Stabilization Fund, provided, however, that after any such transfer (1) the sum of the amounts on deposit in the Revenue Fund and the Debt Service Account shall equal the Accrued Debt Service on all Series of Bonds Outstanding, (2) the Debt Service Reserve Requirement shall be on deposit in the Debt Service Reserve Account, and (3) there shall be on deposit in the Revenue Fund the amount of working capital required by the Indenture.

Operation of Special Funds and Accounts

Bond Fund - Debt Service Account. Each Supplemental Indenture providing for the issuance of a Series of Bonds shall establish a separate Series Subaccount in the Debt Service Account for each such Series of Bonds issued.

There shall be deposited into each Series Subaccount the amounts required for the payment of the interest on and principal or redemption price of the Bonds of such Series when due.

Except as otherwise provided in a Supplemental Indenture authorizing a Series of Bonds, amounts accumulated in any Series Subaccount in the Debt Service Account with respect to any Sinking Fund Installment (together with amounts accumulated therein with respect to interest on the Bonds for which such Sinking Fund Installment was established) shall, if so directed by the Company in a Written Request not less than 30 days before the due date of such Sinking Fund Installment, be applied by the Trustee to (1) the purchase of Bonds of the Series and maturity for which such Sinking Fund Installment was established, (2) the redemption at the applicable sinking fund Redemption Price of such Bonds, if then redeemable by their terms, or (3) any combination of (1) and (2).

Bond Fund - Debt Service Reserve Account. Subject to any limitations contained in a Supplemental Indenture, the Company may satisfy all or any portion of the Debt Service Reserve Requirement by means of a Reserve Instrument (or may substitute one Reserve Instrument for another) if the Company has provided to the Trustee written evidence satisfactory to the Trustee from each Rating Agency then having a rating in effect for any Series of Bonds then Outstanding to the effect that the Rating Agency has reviewed the proposed Reserve Instrument and that the use of such Reserve Instrument (or the substitution of one Reserve Instrument for another, as applicable) will not, by itself, result in a reduction or withdrawal of such Rating Agency's rating of such Series of Bonds.

If on the third Business Day immediately preceding each Bond Payment Date, after the deposit of moneys into the Debt Service Account as described above, the amount in any Series Subaccount in the Debt Service Account shall be less than the amount required to be in such Series Subaccount, the Trustee shall: (1) apply amounts from the Debt Service Reserve Account to the extent necessary to make good the deficiency; and (2) to the extent that moneys and investments available in the Debt Service Reserve Account are not sufficient to eliminate the deficiency in the Series Subaccounts in the Debt Service Account and Reserve Instruments are in effect, immediately make a demand for payment on all such Reserve Instruments, pro rata to the maximum extent authorized by such Reserve Instruments, in the aggregate amount necessary to make up such deficiency, and immediately deposit such payment upon receipt thereof in the appropriate Series Subaccount in the Debt Service Account; provided, however, if the moneys in the Debt Service Reserve Account, together with amounts available under any Reserve Instruments, are insufficient to make up deficiencies in two or more Series Subaccounts in the Debt Service Account, the Trustee shall distribute the moneys or the amounts available under any Reserve Instrument into all such Series Subaccounts on a pro rata basis, such distribution to be determined by multiplying the amount available for distribution by the proportion that the deficiency in each Series Subaccount bears to the total deficiency in all Series Subaccounts.

Whenever the moneys on deposit in the Debt Service Reserve Account, including investment earnings and the amounts available under any Reserve Instrument with respect thereto, shall exceed the Debt Service Reserve Requirement, such excess shall be transferred by the Trustee and paid to the Company for deposit into the Revenue Fund.

Whenever the amount in the Debt Service Reserve Account, excluding the amounts available under any Reserve Instrument, together with the amounts in the Series Subaccounts in the Debt Service Account are sufficient to pay in full all Outstanding Bonds in accordance with their terms (including principal or applicable sinking fund Redemption Price and interest thereon), the funds on deposit in the Debt Service Reserve Account shall be transferred to the Series Subaccounts in the Debt Service Account and no further deposits shall be required to be made into the Debt Service Reserve Account.

No Reserve Instrument shall be allowed to expire unless and until cash has been deposited into the Debt Service Reserve Account, or a new Reserve Instrument has been issued in place of the expiring Reserve Instrument, in an amount or to provide coverage at least equal to the Debt Service Reserve Requirement.

Renewal and Replacement Fund. The Renewal and Replacement Fund shall be held by the Company, and pursuant to the indenture, the Company shall from time to time deposit such amounts into the Renewal and Replacement Fund as are set forth in the Annual Budget then in effect. Amounts on deposit in the Renewal and Replacement Fund shall be used to pay unusual or extraordinary Operation and Maintenance Costs, the Cost of Construction of any part of the System, and shall provide reserves for the foregoing.

Rate Stabilization Fund. Any amounts in the Rate Stabilization Fund shall be transferred prior to each Bond Payment Date to the extent necessary to make up any deficiencies first, in any Series Subaccounts in the Debt Service Account and second, in the Debt Service Reserve Account.

Amounts in the Surplus Fund not required to meet a deficiency as described in the previous paragraph may be transferred from time to time by the Company from the Rate Stabilization Fund free and clear of the lien of the Indenture and deposited into any funds or accounts established by the Company to be used for any lawful purpose, including various purposes specified in the Indenture.

Construction Fund. There shall be paid into the Construction Fund the amounts required to be so paid by the provisions of the Indenture or any Supplemental Indenture. The Trustee shall establish within the Construction Fund a separate Project Account for the Initial Facilities and any Additional Facilities and shall establish one or more subaccounts in each Project Account, as necessary. Amounts in each Project Account shall be applied to pay the Cost of Construction. Upon receipt of each written request, as required in the Indenture, the Trustee shall pay the amounts set forth therein as directed by the terms thereof.

Subordinated Indebtedness Fund. The Trustee shall apply amounts in each separate account in the Subordinated Indebtedness Fund at the times, in the amounts and to the purposes specified with respect thereto in the respective resolutions, indentures or other instruments, including any Supplemental Indenture, relating to such account and the Subordinated Indebtedness payable therefrom or secured thereby. If at any time the amount in any Series Subaccount in the Debt Service Account shall be less than the requirement of such Subaccount pursuant to the Indenture, or the amount in the Debt Service Reserve Account shall be less than the Debt Service Reserve Requirement relating thereto, and there shall not be on deposit in the Revenue Fund available moneys sufficient to cure either such deficiency, then the Trustee shall withdraw from the Subordinated Indebtedness Fund and deposit into such Series Subaccount in the Debt Service Account or into the Debt Service Reserve Account, as the case may be, the amount necessary to make up such deficiency (or, if the amount in said Fund shall be less than the amount necessary to make up the deficiencies with respect to all Series Subaccounts in the Debt Service Account and the Debt Service Reserve Account, then the amount in said Fund shall be first applied ratably (in proportion to the deficiency in each such Subaccount) to make up the deficiencies in the Debt Service Account, and any balance remaining shall be applied to make up part of the deficiency in the Debt Service Reserve Account.

Interest Rate Swaps. The Company may enter into one or more Interest Rate Swaps with respect to the Bonds. Before entering into any Interest Rate Swap, the Company and the Trustee shall execute a Supplemental Indenture which shall include provisions pursuant to the Indenture.

Swap Receipts received by the Company or the Trustee shall be deposited promptly upon receipt into the applicable Series Subaccount in the Debt Service Account. Any Swap Termination Payment received by the Company or the Trustee shall be deposited promptly upon receipt into the Revenue Fund.

Nothing in the indenture shall preclude the Company from entering into an Interest Rate Swap under which all Swap Payments and Swap Termination Payments are to be made solely from the Subordinated Indebtedness Fund or an account or subaccount therein.

Investment of Funds

Moneys held in any Fund or account shall be invested and reinvested by the Company or the Trustee to the fullest extent practicable in Investment Securities which mature not later than such times as shall be necessary to provide moneys when needed for payments to be made from such Fund or account.

Subject to any required rebate of earnings on investments in any Fund or account to the United States of America pursuant to Section 148(f) of the Code and except as otherwise provided in a Supplemental Indenture establishing a Project Account or a Series Subaccount: (1) all moneys earned as an investment of moneys in the Construction Fund shall be retained therein; (2) net income earned on any moneys or investments in the Revenue Fund, the Rate Stabilization Fund and the Debt Service Account shall be transferred to the Revenue Fund; or (3) whenever the Debt Service Reserve Account is in its full required amount, net income earned on any moneys or

investments therein shall be transferred to the Revenue Fund as provided in the Indenture, otherwise, to be retained therein.

Issuance of Bonds

General Provisions. Whenever the Company shall determine to issue any Series of Bonds, the Company shall enter into a Supplemental Indenture with the Trustee which shall specify the information required by the Indenture.

Each Series of Bonds shall be executed by the Company and authenticated and delivered by the Trustee upon the Written Request of the Company, but only upon receipt by the Trustee of the documents required by the Indenture, including an opinion of counsel and a certificate setting forth the Debt Service and the Aggregate Debt Service for each Fiscal Year of the Bonds of such Series. The Indenture requires the Company to cause an amount equal to any increase in the Debt Service Reserve Requirement to be on deposit in the Debt Service Reserve Account upon the issuance of any Additional Bonds.

Construction Bonds. One or more Series of Additional Bonds may be authenticated and delivered upon original issuance from time to time in such Principal amount for each such Series as may be determined by the Company for the purpose of paying or providing for the payment of all or a portion of (1) the Cost of Construction of Additional Facilities, (2) Principal, Redemption Price and interest on Bond Anticipation Notes or (3) any combination of (1) and (2).

Each Series of Construction Bonds shall be authenticated and delivered by the Trustee only upon receipt by the Trustee of a Written Certificate of the Company, dated as of the date of such delivery, that contains the following:

(1) The then Estimated Completion Date and the then estimated Cost of Construction of the Project being financed by such Series of Bonds;

(2) A statement that, upon the authentication and delivery of the Bonds of such Series, no Event of Default has occurred and is then continuing under the Indenture and no event has or will have occurred which, with the passage of time or the giving of notice, or both, would give rise to an Event of Default under the Indenture; and

(3) A statement that the Adjusted Net Revenues of the Company for its immediately preceding Fiscal Year or for any Year within the 18 calendar months prior to the authentication and delivery of such Series of Bonds are not less than 1.25 times the Maximum Annual Debt Service with respect to all Series of Bonds to be Outstanding after the issuance of the proposed Series of Construction Bonds.

The provisions of Indenture described in (3) above do not apply:

(1) to any Series of Construction Bonds all of the proceeds of which are to be applied to pay the Cost of Construction of a Project necessary, as expressed in an Engineer's Certificate delivered to the Trustee, to keep the System or any component thereof in good operating condition or to prevent a loss of Revenues, or to comply with requirements of any governmental agency having jurisdiction over the Company or the System; or

(2) to any Series of Bonds issued to pay the Cost of Construction necessary to complete any Project for which Construction Bonds have previously been issued, provided that the Trustee shall have received certain certifications of an independent engineer and the Company.

The proceeds, including accrued interest, of each Series of Construction Bonds shall be deposited simultaneously with the delivery of such Bonds in the Construction Fund and, to the extent permitted by law and the provisions of the Indenture, in any other Funds or such other funds or accounts as may be established by the Supplemental Indenture, in such amounts, if any, as may be provided in the Supplemental Indenture authorizing the issuance of such Series of Construction Bonds.

Refunding Bonds. One or more Series of Refunding Bonds may be issued in such Principal amount which, when taken together with other legally available funds, will provide the Company with funds sufficient to accomplish

the refunding of all or a part of the Outstanding Bonds of one or more Series, including in each case the payment of all expenses in connection with such refunding.

Each Series of Refunding Bonds (other than crossover refunding bonds) shall be authenticated and delivered by the Trustee only upon receipt by the Trustee (in addition to the documents required under “General Provisions” above) of the following documents or moneys or securities:

(1) A Written Certificate of the Company stating that the issuance of such Series of Refunding Bonds complies with the requirements of the Indenture;

(2) Irrevocable instructions to the Trustee, satisfactory to it, to give due notice of any redemption of the Bonds to be refunded on the redemption date or dates specified in such instructions;

(3) If, within the next succeeding 90 days, the Bonds to be refunded do not mature, are not redeemable or are not to be redeemed, irrevocable instructions to the Trustee satisfactory to it, to mail the notice provided for in the Indenture to the Owners of the Bonds being refunded; and

(4) Either (A) moneys in an amount sufficient to effect payment of the principal or the applicable Redemption Price of the Bonds to be refunded, together with accrued interest to the maturity or redemption date, as the case may be, which moneys shall be held by the Trustee or any one or more of the Paying Agents in a separate account irrevocably in trust for the Bonds to be refunded, or (B) Government Obligations in such Principal amounts, of such maturities, bearing such interest, and otherwise having such terms and qualifications and any moneys, as shall be necessary to comply with the provisions of the Indenture, which Government Obligations and moneys shall be held in trust and used only as provided in the Indenture.

Each Series of Crossover Refunding Bonds shall be authenticated and delivered by the Trustee only upon receipt by the Trustee (in addition to the documents required under “General Provisions” above) of the following documents or moneys or securities:

(1) A Written Certificate of the Company stating that the issuance of such Series of Crossover Refunding Bonds complies with the requirements of the Indenture;

(2) Instructions to the Trustee, satisfactory to it, to give due notice of any redemption of the Crossover Refunded Bonds on the Crossover Date or on such other redemption date or dates, and subject to such conditions, as shall be specified in such instructions;

(3) If the Crossover Refunded Bonds are not by their terms subject to redemption within the 90 days next succeeding the Crossover Date, instructions to the Trustee, satisfactory to it, to mail the notice provided for in the Indenture to the Owners of the Crossover Refunded Bonds on such date or dates as shall be specified in such instructions;

(4) Either (A) moneys in an amount sufficient to effect payment of the interest on the Crossover Refunding Bonds to the Crossover Date and the principal or the applicable Redemption Price of the Crossover Refunded Bonds on the Crossover Date (or other redemption date of the Crossover Refunded Bonds), which moneys shall be held by the Trustee or any one or more of the Paying Agents in a separate trust account, or (B) Investment Securities in such principal amounts, of such maturities, bearing such interest and otherwise having such terms and qualifications and any moneys, as shall be necessary to comply with the provisions of the Supplemental Indenture authorizing the issuance of the Crossover Refunding Bonds; and

(5) There shall be filed with the Trustee a Written Certificate of an Independent Public Accountant demonstrating the sufficiency of the moneys and investments in the escrow to pay the interest on the Crossover Refunding Bonds to the Crossover Date and the principal or Redemption Price, as applicable, of the Crossover Refunded Bonds on the Crossover Date (or other redemption date of the Crossover Refunded Bonds).

Any Supplemental Indenture providing for the issuance of Crossover Refunding Bonds may establish conditions to the occurrence of the Crossover Date and provide that the Crossover Date will not occur if such

conditions are not satisfied, in which case the Crossover Refunding Bonds will be redeemed on the Crossover Date from the proceeds thereof, Escrowed Interest and other moneys available therefor. Each such Supplemental Indenture shall, in addition to all other requirements of the Indenture, provide that (i) until the occurrence of the Crossover Date none of the principal or Redemption Price of and interest on the Crossover Refunding Bonds shall be payable from or secured by the pledge of the Indenture, but shall be payable from the proceeds of the Crossover Refunding Bonds, Escrowed Interest and such other sources as may be provided in such Supplemental Indenture, and (ii) upon the occurrence of the Crossover Date, the Crossover Refunding Bonds shall be secured by the lien of the Indenture on a parity with all other Series of Bonds Outstanding.

A Series of Refunding Bonds may be combined with a Series of Construction Bonds.

Bond Anticipation Notes. One or more Series of Bond Anticipation Notes may be authenticated and delivered upon original issuance from time to time in such principal amount for each such Series as may be determined by the Company for the purpose of paying or providing for the payment of all or a portion of the Cost of Construction of any Project, or the refunding of Bond Anticipation Notes, or a combination of such purposes.

The payment of the interest on Bond Anticipation Notes shall be on a parity with the lien and charge created in the Indenture for the payment of the Bonds. The payment of the Principal Installments on Bond Anticipation Notes shall be payable solely from the proceeds of Bonds or amounts on deposit in the Subordinated Indebtedness Fund and the Supplemental Indenture pursuant to which any Series of Bond Anticipation Notes is issued shall so provide. Each Bond Anticipation Notes shall state on its face that the payment of Principal Installments thereof is so subordinated.

No Bond Anticipation Note shall mature later than five years from its date, including all refundings thereof by Bond Anticipation Notes.

Special Covenants

Punctual Payment. The Company will punctually pay or cause to be paid the Principal, Redemption Price and interest on the Bonds in strict conformity with the terms of the Bonds and the Indenture, and The Company will punctually pay or cause to be paid all Sinking Fund Installments which may be established for any Series of Bonds.

Operation and Maintenance. The Company shall (a) cause the System to be operated, maintained and managed in an efficient and economical manner, (b) cause the System to be maintained, preserved and kept in good repair, working order and condition, and (c) cause all necessary and proper repairs, replacements and renewals to be made so that the operating efficiency of the System will be of a high character.

Power to Own Project and Collect Charges; Maintenance of Revenues. The Company has, and will have as long as any Bonds are Outstanding, good, right and lawful power to own the System and establish and collect rates, fees and charges for the services provided by the System. The Company will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such Supplemental Indentures and such further accounts, instruments and transfers as the Trustee may reasonably require for the better assuring, pledging and confirming to the Trustee all and singular the Revenues, and the other amounts pledged by the Indenture to the payment of the principal of, Redemption Price and interest on the Bonds. The Company will not sell, convey, mortgage, encumber or otherwise dispose of any part of the System or the Revenues, except as specifically authorized in the Indenture.

Observance of Law and Regulations. The Company will keep, observe and perform all valid and lawful obligations or orders or regulations now or hereafter imposed on it by contract, or prescribed by any law of the United States of America or of the State of Utah, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of any and every right, privilege, license or franchise now owned or hereafter acquired by the Company relating to or affecting the System, including its right to exist and carry on business, to the end that such rights, privileges, license and franchises shall be maintained and preserved, and shall not become abandoned, forfeited or in any manner impaired; provided, however, that the Company shall not be required to comply with any such orders so long as the validity or application thereof shall be contested in good faith.

Rates, Fees and Charges. The Company shall at all times establish and collect rates and charges for the services provided by the System, as shall be required to provide Revenues at least sufficient in each Fiscal Year, together with other available funds, for the payment of the sum of:

- (1) Operation and Maintenance Costs;
- (2) An amount equal to the Aggregate Debt Service, plus a margin of 25%;
- (3) The Repayment Obligations, if any, coming due;
- (4) The amount, if any, to be paid into the Debt Service Reserve Account in the Bond Fund; and
- (5) All other charges or amounts payable out of Revenues during such Fiscal Year.

Payment of Taxes and Charges. The Company will from time to time duly pay and discharge, or cause to be paid and discharged, all taxes, assessments and other governmental charges, or required payments in lieu thereof, lawfully imposed upon the properties of the System or upon the Revenues when the same become due (except those taxes, assessments, charges or claims which the Company shall in good faith contest by proper legal proceeding if the Company shall in all such cases have set aside on its books reserves deemed adequate with respect thereto), and will duly observe and conform to all valid requirements of any governmental authority relative to any such properties. The Company will keep the System and all parts thereof free from judgments, mechanics' and materialmen's liens (except those arising by mere operation of law from the construction of a Project which are paid in due course) and free from all other liens, claims, demands and encumbrances of whatsoever prior nature or character, to the end that the priority of the lien of the Indenture on the Revenues may at all times be maintained and preserved, and be free from any claim or liability which might embarrass or hamper the Company in conducting its business.

Insurance. Subject in each case to the conditions that similar insurance is usually carried by utilities operating facilities comparable to the System and that such insurance is obtainable at reasonable rates and upon reasonable terms and conditions: (a) the Company will secure and maintain, insurance on the physical properties of the System with a value in excess of \$100,000, business interruption insurance, and public liability insurance in the amounts and against such risks as are usually insurable in connection with similar facilities and are normally carried by public utilities engaged in the operation of similar properties; and such insurance policies procured pursuant to this provision shall name the Trustee as an additional loss payee and shall not terminate or expire prior to thirty days after the Trustee has been notified of such termination or expiration; and (b) the Company will secure and maintain adequate fidelity insurance or bonds on the positions of any person or persons handling or responsible for funds of the Company.

Accounts and Reports. The Company will at all times keep, or cause to be kept, proper books of record and accounts, separate and apart from all other records and accounts of the Company, in which complete and accurate entries shall be made of all transactions relating to the System, the Revenues, and the Funds. Such records and filings are available at all times during business hours for inspection by the Owners of not less than 5 percent of the Bonds then outstanding and by other parties. The Indenture requires the Company to place on file with Trustee from time to time various audited and unaudited financial statements and various reports relating to the System, the Revenues, and the Funds.

Creation of Liens. The Company shall not issue any bonds, notes, debentures, or other evidences of indebtedness of similar nature, other than the Bonds, payable out of or secured by a pledge or assignment of the Revenues or other moneys, securities or funds held or set aside by the Company or by the Fiduciaries under the Indenture and shall not create or cause to be created any lien or charge on the Revenues, or such moneys, securities or funds; provided, however, that nothing contained in the Indenture shall prevent the Company from issuing, if and to the extent permitted by law, bonds, notes, debentures or other evidences of indebtedness payable on a basis subordinate to the Bonds.

The Company will not create, and will use its good faith efforts to prevent the creation of, any mortgage or lien upon the System or any property essential to the proper operation of the System or to the maintenance of the Revenues. The Company will not create, or permit the creation of, any pledge, lien, charge or encumbrance upon the Revenues except only as provided in or permitted by the Indenture.

Eminent Domain. If all or any part of the System shall be taken by eminent domain proceedings or conveyance in lieu thereof, the net proceeds realized by the Company therefrom shall be (a) applied to replace the lost portion of the System or (b) deposited with the Trustee in a special fund in trust and shall be applied and disbursed by the Trustee subject to the following conditions:

(1) If such funds are sufficient to provide for the payment of the entire amount of principal due or to become due upon all of the Outstanding Bonds, together with all of the interest due or to become due thereon and any redemption premiums thereon, so as to enable the Company to retire all of the Bonds then Outstanding, either by call and redemption at the then current Redemption Prices or by payment at maturity or partly by redemption prior to maturity and partly by payment at maturity, the Trustee shall apply such moneys to such retirement or payment, as appropriate, and to the payment of such interest. Pending the application of such proceeds for such purpose, such moneys shall be invested by the Trustee in Government Obligations. The balance of such moneys, if any shall be transferred to the Company.

(2) If such proceeds are insufficient to provide the moneys required for the purposes described in subparagraph (1) above, the Company shall file with the Trustee a Written Request of the Company requesting the Trustee to apply such proceeds for one of the following purposes: (a) to the purchase, redemption or retirement of Bonds; (b) to the cost of additions, improvements or extensions to the System; or (c) for deposit into the Revenue Fund.

Reconstruction; Application of Insurance Proceeds. In the event any useful portion of the System shall be damaged or destroyed, the Company shall determine whether to proceed with the reconstruction or replacement thereof or to remove such part of the System from service. In the event that the Company determines not to reconstruct or replace that part of the System that has been damaged or destroyed, the proceeds of any insurance received by the Company on account of such damage or destruction (other than any business interruption loss insurance), shall be deposited into a special account in the Bond Fund and shall be used, together with other legally available moneys for such purpose, to redeem or defease Bonds. In the event that the Company determines to proceed with the reconstruction or replacement of the affected part of the System, the proceeds of any insurance received by the Company on account of such damage or destruction (other than any business interruption loss insurance), shall, if the appropriate Project Account in the Construction Fund has not been closed, be paid into the Construction Fund as provided in the Indenture, or if the Construction Fund has been closed, shall be held by the Trustee in a special account and made available for, and to the extent necessary be applied to, the cost of such reconstruction or replacement. If the proceeds of insurance authorized by the Indenture to be applied to the reconstruction or replacement of any portion of the System are insufficient for such purpose, the deficiency may be supplied out of moneys in the Rate Stabilization Fund or other legally available monies. The proceeds of business interruption loss insurance, if any, shall be paid into the Revenue Fund.

Acquisition and Construction of Projects. If the Company undertakes the acquisition or construction of any Project, the Company shall cause the acquisition or construction to be accomplished in a sound and economic manner and as expeditiously as is practicable.

Annual Budget. Prior to the beginning of each Fiscal Year, the Company shall prepare and file with the Trustee for the ensuing Fiscal Year an Annual Budget adopted by its Power Board.

Special Facility Bonds. The Company may issue special purpose bonds, notes or obligations from time to time for the purpose of financing or refinancing the cost of one or more Special Facilities. The special purpose bonds, notes or obligations shall be payable solely from and secured solely by the rates and charges derived by the Company from a contract, lease or other arrangement relating to the Special Facility between the Company and the user of the Special Facility. Before any Special Facility shall be constructed or acquired by the Company, the Company shall adopt a resolution pursuant to the Indenture.

Concerning the Trustee

The Trustee shall perform the trusts contained in the Indenture as a corporate trustee ordinarily would perform such trusts under a corporate indenture, upon and subject to the express terms and conditions set forth in the Indenture.

The Trustee shall perform such duties and only such duties as are specifically set forth in the Indenture and shall also act as registrar and Transfer Agent.

The Trustee may resign or be discharged of its duties and obligations under the Indenture at any time by giving not less than 60 days' notice to the Company; provided that no such resignation of the Trustee shall take effect until a successor Trustee shall have been appointed and shall have accepted the duties of the Trustee under the Indenture. The Company may at any time, and shall following the breach by the Trustee of the trusts set forth in the Indenture, remove the Trustee and appoint a successor. The Trustee also may be removed at any time by an instrument or concurrent instruments in writing, filed with the Trustee, and signed by the Owners of a majority in Principal amount of the Bonds then Outstanding or their attorneys-in-fact duly authorized. Notice of any resignation or removal of the Trustee shall be given to the Bond owners as provided in the Indenture.

The Company covenants and agrees in the Indenture to pay to the Trustee its reasonable compensation and its reasonable expenses, disbursements and advances and to indemnify the Trustee against certain liabilities arising out of the performance of its duties under the Indenture. The Indenture grants to the Trustee a lien prior to the lien of the Bonds upon all property or funds held or collected by the Trustee (other than funds held in trust for particular Bonds) to secure the Company's obligations to compensate and indemnify the Trustee.

Events of Default

The occurrence of one or more of the following events shall constitute an "Event of Default":

(1) failure by the Company to make the due and punctual payment of the Principal or Redemption Price of any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for redemption, by declaration or otherwise;

(2) failure by the Company to make the due and punctual payment of any installment of interest on any Bond or any Sinking Fund Installment when and as such interest installment or Sinking Fund Installment shall become due and payable;

(3) failure by the Company to observe any of the covenants, agreements or conditions on its part contained in the Indenture or in the Bonds, and failure to remedy the same for a period of sixty (60) days after written notice thereof, specifying such failure and requiring the same to be remedied, shall have been given to the Company by the Trustee, or to the Company and the Trustee by the Owners of not less than 25% in aggregate Principal amount of the Bonds at the time outstanding; or

(4) bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, including without limitation proceedings under Chapter 9 of Title 11, United States Code (as the same may from time to time be amended), or other proceedings for relief under any federal or state bankruptcy law or similar law for the relief of debtors are instituted by or against the Company and if instituted against the Company, said proceedings are consented to or are not dismissed within 30 days after such institution.

Acceleration

Upon the occurrence of an Event of Default, unless the principal of all the Bonds shall have already become due and payable:

(1) the Trustee may, or

(2) upon receipt of the written request of the Owners of not less than 25% of the aggregate Principal amount of the Bonds at the time outstanding (subject to any limitations specified in a Supplemental Indenture authorizing a Series of Bonds with respect to the rights of the Owners of such Bonds), the Trustee shall, declare upon notice in writing to the Company the Principal of all the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately. Upon such declaration such Principal and interest shall be immediately due and payable, notwithstanding anything to the contrary contained in the Indenture or in the Bonds; provided that with respect an Event of Default described in subsection (1) or (2) under "Event of Default" relative to any Series of Bonds

Outstanding secured by a Security Instrument which is in full force and effect and not in default on any payment obligation thereunder, no acceleration of such Series of Bonds shall occur without the written consent of the issuer of such Security Instrument.

The right of the Trustee to make any such declaration as described above, however, is subject to various conditions set forth in the Indenture and any such declaration may be rescinded and annulled as provided in the Indenture.

Bondholder Rights

No Owner of any Bond shall have any right to institute any proceeding, judicial or otherwise, with respect to the Indenture, or for the appointment of a receiver or trustee, or for any other remedy thereunder, unless:

- (a) such Owner has previously given written notice to the Trustee of a continuing Event of Default;
- (b) the Owners of not less than 25% in aggregate principal amount of the Outstanding Bonds shall have made written request to the Trustee to institute proceedings in respect of such Event of Default;
- (c) such Owners have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request;
- (d) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceedings; and
- (e) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Owners of a majority in Principal amount of the Outstanding Bonds.

In addition, no one or more Owners of Bonds shall have any right to affect, disturb or prejudice the rights of any other Owners of Bonds, or to obtain or to seek to obtain priority or preference over any other such parties or to enforce any right under the Indenture, except as provided in the Indenture.

Notwithstanding any other provision in the Indenture, the Owner of any Bond shall have the right to receive payment of the Principal or Redemption Price of and interest on such Bond on the respective stated maturities expressed in such Bond (or, in the case of redemption, on the redemption date of such Bond) and to institute suit for the enforcement of any such payment. Such right to receive payment shall not be impaired without the consent of such Owner.

Appointment of Receiver

Upon the occurrence of an Event Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondowners, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the trust estate created by the Indenture, including, without limitation, the proceeds of the sale of the Bonds, the Revenues and the Funds, including the investments, if any, thereof, pending such proceedings, with such powers as a court making such appointments shall confer.

Direct Payments

The Company authorizes and directs the Trustee to take all necessary actions to effectively carry out the duties required to apply for and accept Direct Payments from the Internal Revenue Service on behalf of the Company under Sections 54AA, 1400U-2 and 6431 of the Code or such other tax provisions of substantially similar nature which may be hereafter authorized, including, but not limited to, filing and signing IRS Form 8038-CP, receiving the Direct Payment on the Company's behalf, and using such Direct Payment to pay Debt Service on the Bonds. For fixed rate bonds, the Trustee shall file the 8038-CP at least seventy-five (75) days (but not more than ninety (90) days) before the relevant Interest Payment Date (unless otherwise directed by a change in regulations). For variable rate bonds, the Trustee shall file the 8038-CP for reimbursements in arrears within twenty-five (25) days after the last Interest Payment Date within the quarterly period for which reimbursement is being requested (unless otherwise

directed by a change in regulations). The Company covenants that it will deposit the Direct Payments with the Trustee for use in paying Debt Service on the Bonds.

Modification or Amendment of Indenture

The Company and the Trustee may from time to time and at any time enter into a Supplemental Indenture modifying or amending the Indenture or any Supplemental Indenture and the rights and obligations of the Company, the Trustee and of the Owners of the Bonds pursuant to the affirmative vote at a meeting of Bondowners, or with the written consent without a meeting, (1) (A) of the Owners of at least a majority in Principal amount of the Bonds then Outstanding, or (B) in case less than all of the several Series of Bonds then outstanding are affected by the modification or amendment, of the Owners of at least a majority in Principal amount of the Bonds of each Series so affected and then Outstanding, and (2) in case the modification or amendment changes the terms of any Sinking Fund Installment, of the Owners of at least 60% in Principal amount of the Bonds of the particular Series and maturity entitled to such Sinking Fund Installment and then Outstanding.

The Company and the Trustee may also from time to time and at any time enter into a Supplemental Indenture modifying or amending the Indenture or any Supplemental Indenture and the rights and obligations of the Company and the Owners of the Bonds, without the consent of any Bondowners for any of the following purposes:

(1) to add to the covenants and agreements of the Company contained in the Indenture, other covenants and agreements thereafter to be observed, or to surrender any right or power reserved to or conferred upon the Company in the Indenture;

(2) to make such provisions for the purpose of curing any ambiguity, or of curing or correcting any defective provision contained in the Indenture or in regard to questions arising under the Indenture, as the Company may deem necessary or desirable, and which, in accordance with the Indenture, shall not adversely affect the interests of the Owners of the Bonds;

(3) to provide for the issuance of a Series of Bonds in accordance with the provisions of the Indenture;

(4) provide for the issuance of the Bonds pursuant to a book-entry system or as uncertificated registered public obligations pursuant to the provisions of the Registered Public Obligations Act, Chapter 7 of Title 15 of the Utah Code Annotated 1953, as amended, or any successor provision of law;

(5) to make any change which, in the judgment of the Trustee, shall not materially adversely affect the rights or interests of the Owners of any Outstanding Bonds and is required by a Rating Agency in order to obtain or maintain any rating on the Bonds;

(6) to make any change necessary (A) to establish or maintain the exemption from federal income taxation of interest on any Series of Bonds as a result of any modifications or amendments to Section 148 of the Code (or any successor provision of law) or interpretations thereof by the Internal Revenue Service, or (B) to comply with the provisions of Section 148(f) of the Code (or any successor provision of law), including provisions for the payment of all or a portion of the investment earnings of any of the Funds established under the Indenture to the United States of America;

(7) to evidence the appointment of a successor Trustee;

(8) if the Bonds affected by such change are rated by a Rating Agency, to make any change which does not result in a reduction of the rating applicable to any of the Bonds so affected, provided that if any of the Bonds so affected are secured by a Security Instrument, such change must be approved in writing by the issuer of such Security Instrument;

(9) if the Bonds affected by such change are secured by a Security Instrument, to make any change approved in writing by the issuer of such Security Instrument, provided that if any of the Bonds so affected are rated by a Rating Agency, such change shall not result in a reduction of the rating applicable to any of the Bonds so affected; and

(10) the description of the particular additions, improvements and extensions that constitute a Project may be modified or amended by the Company if it delivers to the Trustee a Written Certificate to the effect that such modification or amendment will not adversely impact its ability to meet the covenants contained in the Indenture.

No modification or amendment shall be permitted pursuant to paragraph (8), (9) or (10) unless the Company delivers to the Trustee an Opinion of Counsel of nationally recognized standing in the field of law relating to municipal bonds to the effect that such modification or amendment will not adversely affect the tax-exempt status or validity of any Bonds affected by such modification or amendment.

No modification or amendment permitted by the Indenture shall (1) extend the fixed maturity of any Bond, or reduce the principal amount or Redemption Price thereof, or reduce the rate or extend the time of payment of interest thereon, without the consent of the Owner of each Bond so affected, or (2) reduce the aforesaid percentage of Bonds required for the affirmative vote or written consent to an amendment or modification of the Indenture, without the consent of the Owners of all of the Bonds then Outstanding, or (3) without its written consent thereto, modify any of the rights or obligations of the Trustee.

Each Supplemental Indenture authorized by the Indenture shall become effective as of the date of its execution and delivery by the Company and the Trustee or such later date as shall be specified in such Supplemental Indenture.

Arbitrage Covenant

The Company covenants that moneys on deposit in any Fund, whether or not such moneys were derived from proceeds of sales of Bonds or from any other sources, will not be used in a manner which will cause any Bonds, the interest on which is to be exempt from federal income taxation under the Code, to be “arbitrage bonds” within the meaning of Section 148 of the Code; provided, however, that this covenant shall not prevent the issuance of a Series of Bonds the interest on which is subject to Federal income taxation under the Code.

Discharge of Indebtedness

If the Company shall pay or cause to be paid, or there shall otherwise be paid, subject to any limitations contained in a Supplemental Indenture with respect to a Series of Bonds, to the Owners of all Bonds the Principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Indenture, then the pledge of any Revenues and other moneys, securities and Funds pledged under the Indenture and all covenants, agreements and other obligations of the Company to the Bondowners shall thereupon cease, terminate and become void and be discharged and satisfied.

APPENDIX C

DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING WASATCH COUNTY

General

The following demographic and economic information is provided solely as background information regarding Wasatch County (the “County”), the general area in which the Issuer operates. The County seat and largest city in the County is Heber City.

County and State Population

<u>Year⁽¹⁾</u>	<u>County</u>	<u>% Change</u>	<u>State</u>	<u>% Change</u>
2024 Estimate	37,858	1.49%	3,503,613	1.75%
2023 Estimate	37,303	1.56	3,443,222	1.54
2022 Estimate	36,731	1.31	3,391,011	1.59
2021 Estimate	36,257	4.22	3,337,975	2.03
2020 Census	34,788	2.04	3,271,616	2.05
2019 Estimate	34,091	3.10	3,205,958	1.66
2018 Estimate	33,067	3.69	3,153,550	1.69
2017 Estimate	31,890	4.99	3,101,042	1.95
2016 Estimate	30,375	4.32	3,041,868	2.01
2015 Estimate	29,118	4.69	2,981,835	1.53

⁽¹⁾ 2020 census count is as of April 1; estimates are as of July 1 of the year given.
(Source: U.S. Census Bureau.)

Rate of Unemployment – Annual Average

<u>Year</u>	<u>County</u>	<u>State</u>	<u>United States</u>
2024	2.8%	3.2%	4.0%
2023	2.3	2.7	3.6
2022	2.2	2.4	3.6
2021	2.7	2.8	5.3
2020	6.2	4.8	8.1
2019	2.7	2.6	3.7
2018	3.0	2.9	3.9
2017	3.3	3.3	4.4
2016	3.4	3.4	4.9
2015	3.5	3.6	5.3

Not seasonally adjusted.

(Sources: Utah Department of Workforce Services and the U.S. Department of Labor.)

Economic Indicators in the County

LABOR FORCE	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Labor Force (annual average)	20,335	20,011	19,091	18,213	17,585
Employed (annual average)	19,766	19,546	18,665	17,716	16,501
Unemployed (annual average)	569	465	426	497	1,084
Average Employment (Non-Farm Jobs)	12,170	12,178	11,701	11,063	10,143
% Change Prior Year	-0.07	4.08	5.77	9.07	(0.51)
<i>Average Employment by Sector:</i>					
Agriculture, Forestry, Fishing/Hunting	0	65	0	0	0
Mining	0	8	9	0	0
Utilities	105	102	103	98	95
Construction	2,018	2,004	2,201	1,914	1,847
Manufacturing	640	525	502	457	426
Wholesale Trade	0	208	223	218	205
Retail Trade	1,421	1,408	1,381	1,361	1,262
Transportation and Warehousing	355	364	349	349	303
Information	70	81	88	77	69
Finance and Insurance	197	185	188	203	179
Real Estate and Rental and Leasing	254	264	232	202	193
Professional, Scientific & Tech Services	756	692	664	602	534
Management of Companies & Enterprises	52	48	48	46	36
Administrative, Support, Waste Management, & Remediation	464	656	424	410	381
Education Services	0	0	1,217	1,188	0
Health Care and Social Assistance	1,355	1,266	1,133	1,063	1,046
Arts, Entertainment, and Recreation	490	624	416	476	394
Accommodation and Food Services	1,391	1,482	1,548	1,417	1,216
Other Services & Unclassified	372	311	314	298	276
Public Administration	685	647	610	639	606
Total Establishments	1,666	1,586	1,546	1,547	1,429
Total Wages (\$Millions)	690.8	661.5	614.4	526.3	483.6
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
INCOME AND WAGES					
Total Personal Income (\$000)	n/a	\$3,430,409	\$3,161,895	\$2,859,887	\$2,424,049
Per Capita Income	n/a	92,354	86,398	78,902	69,150
Median Household Income	n/a	121,397	115,793	102,206	87,098
Average Monthly Nonfarm Wage	\$4,730	\$4,527	\$4,376	\$3,964	\$3,940
SALES & CONSTRUCTION					
Gross Taxable Sales (\$000,000)	\$1,396.5	\$1,319.4	\$1,309.1	\$1,108.7	\$889.5
New Dwelling Units	814	616	824	1,119	371
New Residential Value	510,532,224	424,958,837	408,521,976	410,622,672	143,383,373
New Nonresidential Value	57,436,493	77,958,549	33,158,572	25,790,704	13,500,735
Additions/Alterations/Repairs	55,325,906	39,049,465	60,739,823	21,551,909	11,573,206
Total Construction Value	623,294,623	541,966,851	502,420,371	457,965,285	168,457,314

(Sources: (1) Utah Department of Workforce Services; (2) U.S. Department of Commerce, Bureau of Economic Analysis, last updated October 2025; (3) Utah State Tax Commission; (4) University of Utah Bureau of Economic and Business Research.)

Major Employers in the County

The following is a list of some of the largest employers in the County based on annual averages.

<u>Company</u>	<u>Industry</u>	<u>Average Annual Employment</u>
Wasatch County School District	Public Education	1,000-1,999
Wasatch County	County Government	250-499
Heber Valley Medical Center	Health Care	250-499
Smith's	Supermarkets	250-499
Summit Line Construction	Utility System Construction	250-499
State Of Utah	State Government	100-249
Wal-Mart Associates	Warehouse Clubs/Supercenters	100-249
Redmond Minerals	Food Manufacturing	100-249
Red Ledges Golf Club	Amusement and Recreation	100-249
Heber City	City Government	100-249
Lee's Marketplace	Supermarkets	100-249
Rocky Mountain Care Heber	Nursing Care	50-99
Zermatt Resort	Hotels	50-99
Innovative Harbor	Vocational Rehabilitation Services	50-99
Spring Gardens Heber	Nursing Care Facilities	50-99
Heber Valley Historic Railroad	Sightseeing Transportation	50-99
Midway Mercantile	Full-Service Restaurants	50-99
New Focus Academy	Private Education	50-99
Dairy Keen	Restaurants	50-99
Millstream Properties	Real Estate and Rental and Leasing	50-99
Zermatt Resort & Spa	Hotels	50-99
The Fit Stop Health Club	Fitness and Recreational Sports Centers	50-99
Miro Industries	Fabricated Metal Product Manufacturing	50-99
Soldier Hollow	Arts, Entertainment, and Recreation	50-99
Redo Tech, Inc.	Custom Computer Programming	50-99
Karl Malone Chrysler Dodge Jeep Ram	Motor Vehicle and Parts Dealers	50-99
Country Garden's And Nursery	Nursery and Tree Production	50-99
Heber Hub	Restaurants	50-99
Timberline Ace Hardware	General Merchandise Retailers	50-99
Cafe Galleria	Restaurants	50-99
Cascade Academy	Health Care and Social Assistance	50-99
Rooftop Anchor	Fabricated Metal Product Manufacturing	50-99

(Source: Utah Department of Workforce Services; last updated October 2025.)

APPENDIX D

FORM OF CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the “Undertaking”) is executed and delivered by the Heber Light & Power Company (the “Issuer”) in connection with the issuance by the Issuer of its \$[] Electric Revenue Bonds, Series 2026 (the “Series 2026 Bonds”). The Series 2026 Bonds are being issued pursuant to (i) the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended and the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended; (ii) a Trust Indenture dated as of October 1, 2002, as heretofore amended and supplemented (the “Trust Indenture”), as further supplemented by a Sixth Supplemental Indenture of Trust dated as of February 1, 2026 (the “Sixth Supplemental Indenture,” and together with the Trust Indenture, the “Indenture”), each by and between the Issuer and U.S. Bank Trust Company, National Association, as successor trustee (the “Trustee”); (iii) resolutions adopted on October 22, 2025 and November 19, 2025, by the governing board of the Issuer; and (iv) other applicable provisions of law.

The Issuer covenants and agrees as follows:

Section 1. Purpose of the Undertaking. This Undertaking is being executed and delivered by the Issuer for the benefit of the Holders and Beneficial Owners of the Series 2026 Bonds and in order to assist the Participating Underwriter in complying with the Rule (as defined below). The Issuer is executing this Undertaking as an “obligated person” with the meaning of the Rule.

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Disclosure Report” shall mean any Annual Disclosure Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Undertaking.

“Beneficial Owner” shall mean any person who has the power, directly or indirectly, to vote or consent with respect to, or dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

“Dissemination Agent” shall mean the Issuer, or any successor Dissemination Agent designated in writing by the Issuer.

“Financial Obligation” means a (a) debt obligation, (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) guarantee of (a) or (b) in this definition; provided however, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Listed Events” shall mean any of the events listed in Section 5(a) or 5(b) of this Undertaking.

“MSRB” shall mean the Municipal Securities Rulemaking Board, the address of which is 1300 I Street, NW, Suite 1000, Washington DC 20005-3314; Telephone (202) 838-1500; Fax (202) 898-1500, and the website address of which is www.msrb.org and www.emma.msrb.org (for municipal disclosures and market data).

“Official Statement” shall mean the Official Statement of the Issuer dated [], 2026, relating to the Series 2026 Bonds.

“Participating Underwriter” shall mean the original Underwriter of the Series 2026 Bonds required to comply with the Rule in connection with offering of the Series 2026 Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Disclosure Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than July 31 of each year, commencing with a report for the fiscal year ending December 31, 2025, provide to the MSRB in an electronic format an Annual Disclosure Report which is consistent with the requirements of Section 4 of this Undertaking. In each case, the Annual Disclosure Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Undertaking; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Disclosure Report, and later than the date required above for the filing of the Annual Disclosure Report if they are not available by that date. If the Issuer's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(f).

(b) If by fifteen (15) Business Days prior to the date specified in Section 3(a) for providing the Annual Disclosure Report to the MSRB, the Dissemination Agent has not received a copy of the Annual Disclosure Report, the Dissemination Agent shall contact the Issuer to determine if the Issuer is in compliance with Section 3(a).

(c) If the Dissemination Agent is unable to verify that the Annual Disclosure Report has been provided to the MSRB by the dates required in Section 3(a), the Dissemination Agent (or the Issuer) shall, in a timely manner, send a notice of a failure to file the Annual Disclosure Report to the MSRB in an electronic format.

(d) The Dissemination Agent shall:

(i) determine each year prior to the dates for providing the Annual Disclosure Report, the website address to which the MSRB directs the Annual Report to be submitted; and

(ii) if the Dissemination Agent is other than an officer of the Issuer, file a report with the Issuer certifying that the Annual Disclosure Report has been provided pursuant to this Disclosure Undertaking, stating the date it was provided and listing the website address to which it was provided.

Section 4. Content of Annual Disclosure Reports. The Annual Disclosure Report shall contain or incorporate by reference the following:

(a) Copies of the Issuer's annual financial statements prepared in accordance with generally accepted accounting principles audited by a firm of independent certified public accountants. If the Issuer's audited annual financial statements are not available by the time specified in Section 3(a) above, unaudited financial statements will be provided as part of the Annual Disclosure Report and audited financial statements will be provided when and if available.

(b) An update of the financial information of the type contained in the Official Statement in the tables under the following headings:

- "THE SYSTEM—System Rates";
- "—Largest Customers of the Issuer";
- "—Selected Operating Information";
- "—Summary of Production Cost";
- "—Historical and Projected Debt Service Coverage
[but only as the same becomes historically available]"; and
- "—System Energy Resources for System Peak."

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document included by

reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5(a), the Issuer shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Series 2026 Bonds in a timely manner but not more than ten (10) Business Days after the event:

- (i) Principal and interest payment delinquencies;
- (ii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iii) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (iv) Substitution of credit or liquidity providers, or their failure to perform;
- (v) Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2026 Bonds, or other material events affecting the tax status of the Series 2026 Bonds;
- (vi) Defeasances;
- (vii) Tender offers;
- (viii) Bankruptcy, insolvency, receivership or similar proceedings;
- (ix) Rating changes; or
- (x) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

(b) Pursuant to the provisions of this Section 5(b), the Issuer shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Series 2026 Bonds in a timely manner not more than ten (10) Business Days after the Listed Event, if material:

- (i) Mergers, consolidations, acquisitions, the sale of all or substantially all of the assets of the obligated persons or their termination;
- (ii) Appointment of a successor or additional trustee or the change of the name of a trustee;
- (iii) Non-payment related defaults;
- (iv) Modifications to the rights of the owners of the Series 2026 Bonds;
- (v) Series 2026 Bond calls;
- (vi) Release, substitution or sale of property securing repayment of the Series 2026 Bonds; or
- (vii) Incurrence of a Financial Obligation of the Issuer or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect holders of the Series 2026 Bonds.

(c) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, whether because of a notice from the Trustee or otherwise, the Issuer shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the Issuer has determined that knowledge of the occurrence of a Listed Event would be material under applicable federal securities laws, the Issuer shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (f).

(e) If the Issuer determines that the Listed Event would not be material under applicable federal securities laws, the Issuer shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (f).

(f) If the Dissemination Agent has been instructed by the Issuer to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB.

Section 6. Termination of Reporting Obligation. The obligations of the Issuer under this Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2026 Bonds. If such termination occurs prior to the final maturity of the Series 2026 Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5(f).

Section 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent. The initial Dissemination Agent shall be the Issuer.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Undertaking, the Issuer may amend this Undertaking and any provision of this Undertaking may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, 5(a) or 5(b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Series 2026 Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 2026 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Series 2026 Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Series 2026 Bonds.

In the event of any amendment or waiver of a provision of this Undertaking, the Issuer shall describe such amendment in the next Annual Disclosure Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(f), and (ii) the Annual Disclosure Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Undertaking or any other means of communication, or including any other information in any Annual Disclosure Report or notice of occurrence of a Listed Event, in addition to that which is required by this Undertaking. If the Issuer chooses to include any information in any Annual Disclosure Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Undertaking, the Issuer shall have no obligation under this Undertaking to update such information or include it in any future Annual Disclosure Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Issuer to comply with any provision of this Undertaking, the Trustee may (and, at the request of any Participating Underwriter or the Holders of at least 25% aggregate principal amount of Outstanding Bonds, shall), or any Holder or Beneficial Owner may take such actions as may be necessary and appropriate to cause the Issuer to comply with its obligations under this Undertaking. A default under this Undertaking shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Undertaking in the event of any failure of the Issuer to comply with this Undertaking shall be an action to compel performance.

Section 11. Beneficiaries. This Undertaking shall inure solely to the benefit of the Trustee, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Series 2026 Bonds, and shall create no rights in any other person or entity.

Date: _____, 2026.

HEBER LIGHT & POWER COMPANY

By: _____
Chair, Board of Directors

APPENDIX E

PROPOSED FORM OF BOND COUNSEL OPINION

Upon the issuance of the Series 2026 Bonds, Gilmore & Bell, P.C., Bond Counsel to the Issuer, proposes to issue its approving opinion in substantially the following form:

Re: \$ _____ Heber Light & Power, Utah Electric Revenue Bonds, Series 2026

We have acted as bond counsel to Heber Light & Power, Utah (the “Issuer”) in connection with the issuance by the Issuer of the above-captioned bonds (the “Bonds”). In this capacity, we have examined the law and such certified proceedings, certifications and other documents as we have deemed necessary to give the opinions below.

The Bonds are being issued pursuant to (i) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and other applicable provisions of law; (ii) resolutions of the Issuer adopted on October 22, 2025 and November 19, 2025; and (iii) a Trust Indenture dated as of October 1, 2002, as heretofore amended and supplemented (the “Trust Indenture”), as further supplemented by a Sixth Supplemental Indenture of Trust dated as of February 1, 2026 (the “Sixth Supplemental Indenture,” and together with the Trust Indenture, the “Indenture”), each by and between the Issuer and U.S. Bank Trust Company, National Association, as successor trustee (the “Trustee”). Under the Indenture, the Issuer has pledged certain revenues (the “Net Revenues”) for the payment of principal of, premium (if any), and interest on the Bonds when due.

Capitalized terms used and not otherwise defined in this opinion have the meanings assigned to those terms in the Indenture.

Regarding questions of fact material to the opinions below, we have relied on the representations of the Issuer contained in the Indenture, on the certified proceedings and other certifications of representatives of the Issuer and the certifications of others furnished to us without undertaking to verify them by independent investigation.

Based on the foregoing, we are of the opinion that:

1. The Issuer is validly existing as an energy services interlocal entity under the laws of the State of Utah (the “State”), which is a separate legal entity and political subdivision of the State with the power to execute the Indenture, perform the agreements on its part contained therein, and issue the Bonds.
2. The Indenture has been authorized, executed and delivered by the Issuer and constitutes a valid and binding agreement of the Issuer.
3. The Indenture creates a valid lien on the Net Revenues and other funds pledged by the Indenture for the security of the Bonds on a parity with other bonds, if any, issued or to be issued under the Indenture.
4. The Bonds have been duly authorized and executed by the Issuer, and are valid and binding limited obligations of the Issuer, payable solely from the Net Revenues and the other funds provided therefor in the Indenture. The Bonds do not constitute general obligations of the Issuer and do not constitute an indebtedness of the Issuer within the meaning of any State constitutional or statutory provision, limitation, or restriction. The Issuer has no taxing power.
5. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) (i) is excludable from gross income for federal income tax purposes and (ii) is not an item of tax preference for purposes of computing the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the Issuer complies with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds.

6. The interest on the Bonds is exempt from income taxation by the State.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Indenture may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting the rights and remedies of creditors, and by equitable principles, whether considered at law or in equity.

We express no opinion regarding (a) the accuracy, adequacy or completeness of the Official Statement or other offering material relating to the Bonds, except as may be set forth in our supplemental opinion of even date herewith, (b) the attachment, perfection, or priority of the lien on Revenues or other funds created by the Indenture, or (c) the tax consequences arising with respect to the Bonds other than as expressly set forth in this opinion letter.

The opinions given in this opinion letter are given as of the date set forth above, and we assume no obligation to revise or supplement them to reflect any facts or circumstances that may later come to our attention, or any changes in law that may later occur.

Respectfully submitted,

APPENDIX F

PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM

DTC will act as securities depository for the Series 2026 Bonds. The Series 2026 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Series 2026 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC or its agent.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2026 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2026 Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2026 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2026 Bonds, except in the event that use of the book-entry system for the Series 2026 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2026 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2026 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2026 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2026 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2026 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2026 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Series 2026 Bonds may wish to ascertain

that the nominee holding the Series 2026 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners.

Redemption notices shall be sent to DTC. If less than all of the Series 2026 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2026 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2026 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2026 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2026 Bonds at any time by giving reasonable notice to the Issuer or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.

**[APPENDIX G
SPECIMEN MUNICIPAL BOND INSURANCE POLICY]**

Heber City, Utah

November 19, 2025

The Board of Directors (the “Board”) of Heber Light & Power Company (the “Issuer”), met in regular public session on November 19, 2025, at its regular meeting place in Heber City, Utah at 4:00 p.m. with the following members of the Board present:

Heidi Franco	Director and Chair
Aaron Cheatwood	Director
Kendall Crittenden	Director
Brenda Kozlowski	Director
Sid Ostergaard	Director
Kevin Payne	Director

Also present:

Rylee Allen	Board Secretary
Jason Norlen	General Manager
Bart Miller	Chief Financial Officer
Adam Long	General Counsel

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this resolution had been discussed, the Board Secretary presented to the Board a Certificate of Compliance with Open Meeting Law with respect to this November 19, 2025, meeting, a copy of which is attached hereto as Exhibit A.

The Board Secretary noted that pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, a notice of public hearing with respect to the issuance of the Issuer’s proposed Electric Revenue Bonds, Series 2026 in the principal amount of not to exceed \$28,000,000 was posted as a Class A notice under Section 63G-30-102 (i) on the Utah Public Notice Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended, (ii) on the Issuer’s official website, and (iii) in a public location within the principal office of the Issuer that is reasonably likely to be seen by residents of the Issuer.

The hearing was then opened to all members of the public desiring to give input with respect to the issuance by the Issuer of its Electric Revenue Bonds, Series 2026 (the “Series 2026 Bonds”) and the potential impact that the improvements, property, and/or facilities financed by the Series 2026 Bonds will have on the private sector.

After all such input with respect to the issuance by the Issuer of the Series 2026 Bonds was presented, the public hearing was closed.

The following resolution was then introduced in written form, was fully discussed, and pursuant to motion duly made by Director _____ and seconded by Director _____, was adopted by the following vote:

AYE:

NAY:

The resolution was then signed by the Chair and recorded in the official records of the Board. The resolution is as follows:

RESOLUTION NO. 2025-08

A RESOLUTION OF THE BOARD OF DIRECTORS OF HEBER LIGHT & POWER COMPANY A UTAH ENERGY SERVICES INTERLOCAL ENTITY AND A POLITICAL SUBDIVISION OF THE STATE OF UTAH (THE “ISSUER”) AUTHORIZING AND APPROVING A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT REQUIRED IN CONNECTION WITH THE ISSUANCE AND SALE OF NOT MORE THAN \$28,000,000 AGGREGATE PRINCIPAL AMOUNT OF ELECTRIC REVENUE BONDS, SERIES 2026 (THE “SERIES 2026 BONDS”) AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, by resolution adopted on October 22, 2025 (the “Parameters Resolution”), the Board of Directors (the “Board”) of the Heber Light & Power Company (the “Issuer”) approved the issuance by the Issuer of its Electric Revenue Bonds, Series 2026 (the “Series 2026 Bonds”) (to be issued in one or more series and with such other series or title designation(s) as may be determined by the Issuer) to (a) finance the construction of a power plant and a substation and related improvements (collectively, the “Series 2026 Project”), (b) fund a debt service reserve account, if necessary, and (c) pay costs of issuance with respect to the Series 2026 Bonds; and

WHEREAS, in connection with the marketing and sale of the Series 2026 Bonds, the Issuer desires to authorize the use and distribution of a preliminary official statement relating to the Series 2026 Bonds (the “Preliminary Official Statement”) in substantially the form attached hereto as Exhibit B, and to approve a final official statement (the “Official Statement”) in substantially the form as the Preliminary Official Statement, and other documents relating thereto;

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Heber Light & Power Company, as follows:

Section 1. The Issuer hereby authorizes the utilization of the Preliminary Official Statement in the form attached hereto as Exhibit B in the marketing of the Series 2026 Bonds and hereby approves the Official Statement in substantially the same form as the Preliminary Official Statement. The Board further authorizes the Designated Officers to execute a Continuing Disclosure Undertaking in substantially the form attached to the Preliminary Official Statement.

Section 2. Pursuant to the Parameters Resolution and this resolution, the Issuer hereby grants and further gives authority to the Designated Officers (as defined in the Parameters Resolution) or other appropriate officials of the Issuer the authority to make any alterations, changes or additions to the Preliminary Official Statement, the Official Statement, or any other document which may be necessary to conform the same to the final terms of the Series 2026 Bonds (within the parameters set by the Parameters Resolution), to correct errors or omissions therein, to complete the same, to remove ambiguities therefrom, or to conform the same to other provisions of said instruments, to the provisions of this resolution or any resolution adopted by the Board or the provisions of the laws of the State of Utah or the United States.

Section 3. Upon the issuance of the Series 2026 Bonds, this Resolution shall be and shall remain irrevocable until the principal of, premium, if any, and interest on the Series 2026 Bonds are deemed to have been duly discharged in accordance with the terms and provisions of the Indenture (as defined in the Parameters Resolution).

Section 4. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this resolution shall be in full force and effect immediately upon its approval and adoption.

APPROVED AND ADOPTED this November 19, 2025.

(SEAL)

By: _____
Chair

ATTEST:

By: _____
Board Secretary

(Other business not pertinent to the foregoing appears in the minutes of the meeting.)

Upon the conclusion of all business on the Agenda, the meeting was adjourned.

(SEAL)

By: _____
Chair

ATTEST:

Board Secretary

STATE OF UTAH)
 : ss.
COUNTY OF WASATCH)

I, Rylee Allen, the undersigned Board Secretary of Heber Light & Power Company (the “Issuer”), do hereby certify according to the records of the Board of Directors of the Issuer (the “Board”) in my official possession that the foregoing constitutes a true and correct excerpt of the minutes of the meeting of the Board held on November 19, 2025, including a resolution (the “Resolution”) adopted at said meeting as said minutes and Resolution are officially of record in my possession.

I further certify that the Resolution, with all exhibits attached, was deposited in my office on November 19, 2025.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of said Issuer, this November 19, 2025.

(SEAL)

By: _____
Board Secretary

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, Rylee Allen, the undersigned Board Secretary of Heber Light & Power Company (the “Issuer”), do hereby certify, according to the records of the Issuer in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended (“Utah Code”), I gave not less than twenty-four (24) hours public notice (the “Notice”) of the agenda, date, time and place of the November 19, 2025, public meeting held by the Board of Directors of the Issuer (the “Board”), by causing the Notice, in the form attached hereto as Schedule 1,

(i) to be posted at the Issuer’s principal offices at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting;

(ii) to be posted to the Utah Public Notice Website (<http://pmn.utah.gov>) at least twenty-four (24) hours prior to the convening of the meeting; and

(iii) to be posted on the Issuer’s official website at least twenty-four (24) hours prior to the convening of the meeting.

In addition, the Notice of 2025 Annual Meeting Schedule for the Board (attached hereto as Schedule 2) was given specifying the date, time and place of the regular meetings of the Board to be held during the year, by causing said Notice to be posted at least annually (a) on the Utah Public Notice Website, (b) on the Issuer’s official website, and (c) in a public location within the Issuer that is reasonably likely to be seen by residents of the Issuer.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this November 19, 2025.

By: _____
Board Secretary

SCHEDULE 1 -- NOTICE OF MEETING
SCHEDULE 2 -ANNUAL MEETING SCHEDULE

EXHIBIT B

FORM OF PRELIMINARY OFFICIAL STATEMENT

Public Hearing on Impact Fee Enactment and Capital Facilities Plan



Board Meeting November 19, 2025

Heber Light & Power

Impact Fee Update 2025

*Mark Beauchamp, President
Utility Financial Solutions, LLC*

*Jillian Jurczyk, Rates Manager
Utility Financial Solutions, LLC*

Overview

- Reviewed updates to impact fees with FY2026 – FY2031 capital additions
- Proposing a 2.5% increase to current impact fees

Investments in System Capacity

Fund Balance		\$ (6,486,212)		
Cost Component	Gross Investment	Percent of total	Allocation of Fund Balance	Net Cost of Capacity Additions
Distribution Local & Substations	\$ 16,719,840	15%	\$ (960,385)	\$ 17,680,225
Distribution Substation	3,500,000	3%	\$ (201,039)	3,701,039
System Substations	48,482,000	43%	\$ (2,784,798)	51,266,798
Transmission System	44,220,000	39%	\$ (2,539,990)	46,759,990
Total	\$ 112,921,840			\$ 119,408,052
Distribution				
Description	Local & Substations	System Substations	Transmission System	Total
Total Investment	\$ 21,381,264	\$ 51,266,798	\$ 46,759,990	\$ 119,408,052
Projected New Loadings	96,110	173,480	27,000	
Residential Loading Average	8.28	3.91	3.91	
Residential Equivalents	11,601	44,419	6,913	
Average Cost per RE	1,843	1,154	6,764	9,761
Contribution Value	-	-	-	2,850
Impact Average	\$ 1,843	\$ 1,154	\$ 6,764	\$ 6,911

Value from a New Customer

Combined	COS Revenue Requirement	Fixed Costs Contribution	Recovery Period (Years)	Utility Investment	Maximum Utility Investment per Customer
Residential	\$ 19,257,418	\$ 6,347,287	7	\$ 35.92 per kWh	\$ 2,850
Small Commercial	3,730,700	1,356,274	5	52.21 per kWh	2,752
Medium Commercial	4,166,155	1,144,391	5	46.15 per kW	29,574
Large Commercial	2,631,381	713,069	5	50.30 per kW	158,090

Proposed Impact Fees

	Current	Proposed	
	120/240	120/240	Percent
Amperage	Volt	Volt	Adjustment
10 A	\$ 337	\$ 346	2.5%
20 A	674	691	2.5%
30 A	1,012	1,037	2.5%
40 A	1,349	1,382	2.5%
50 A	1,686	1,728	2.5%
60 A	2,023	2,073	2.5%
70 A	2,360	2,419	2.5%
80 A	2,698	2,764	2.5%
90 A	3,035	3,110	2.5%
100 A	3,372	3,455	2.5%
125 A	4,215	4,319	2.5%
150 A	5,058	5,183	2.5%
200 A	6,744	6,911	2.5%
400 A	13,488	13,821	2.5%
600 A	20,232	20,732	2.5%
800 A	26,976	27,643	2.5%
1000 A	33,720	34,553	2.5%
1200 A	40,464	41,464	2.5%

Proposed Impact Fees

Amperage	Current 120/208 Volt	Proposed 120/208 Volt	Dollar Adjustment	Percent Adjustment
10 A	\$ 506	\$ 519	\$ 13	2.5%
20 A	1,012	1,037	25	2.5%
30 A	1,519	1,556	38	2.5%
40 A	2,025	2,075	50	2.5%
50 A	2,531	2,594	63	2.5%
60 A	3,037	3,112	75	2.5%
70 A	3,544	3,631	88	2.5%
80 A	4,050	4,150	100	2.5%
90 A	4,556	4,669	113	2.5%
100 A	5,062	5,187	125	2.5%
125 A	6,328	6,484	156	2.5%
150 A	7,594	7,781	188	2.5%
200 A	10,125	10,375	250	2.5%
400 A	20,249	20,750	500	2.5%
600 A	30,374	31,124	750	2.5%
800 A	40,499	41,499	1,000	2.5%
1000 A	50,624	51,874	1,250	2.5%
1200 A	60,748	62,249	1,500	2.5%
1400 A	70,873	72,624	1,751	2.5%
1600 A	80,998	82,998	2,001	2.5%
1800 A	91,123	93,373	2,251	2.5%
2000 A	101,247	103,748	2,501	2.5%
2500 A	126,559	129,685	3,126	2.5%
3000 A	151,871	155,622	3,751	2.5%

Amperage	Current 277/480 Volt	Proposed 277/480 Volt	Dollar Adjustment	Percent Adjustment
10 A	\$ 1,168	\$ 1,197	\$ 29	2.5%
20 A	2,336	2,394	58	2.5%
30 A	3,504	3,591	87	2.5%
40 A	4,673	4,788	115	2.5%
50 A	5,841	5,985	144	2.5%
60 A	7,009	7,182	173	2.5%
70 A	8,177	8,379	202	2.5%
80 A	9,345	9,576	231	2.5%
90 A	10,513	10,773	260	2.5%
100 A	11,682	11,970	289	2.5%
125 A	14,602	14,963	361	2.5%
150 A	17,522	17,955	433	2.5%
200 A	23,363	23,940	577	2.5%
400 A	46,726	47,880	1,154	2.5%
600 A	70,089	71,820	1,731	2.5%
800 A	93,452	95,760	2,308	2.5%
1000 A	116,815	119,700	2,885	2.5%
1200 A	140,094	143,554	3,460	2.5%
1400 A	163,443	167,480	4,037	2.5%
1600 A	186,790	191,404	4,614	2.5%
1800 A	210,140	215,330	5,190	2.5%
2000 A	233,489	239,256	5,767	2.5%
2500 A	291,862	299,071	7,209	2.5%
3000 A	350,235	358,886	8,651	2.5%

Impact Fee Comparison

Description / Panel Rating	Average	Heber City	St George	Lehi City	Brigham City	Payson City	Dixie Power	Spanish Fork City	Provo City	Morgan City
Residential (120/240 1 Phase)										
200 AMP	\$ 3,937	\$ 6,911	\$ 4,809	\$ 1,980	\$ 2,052	\$ 4,596	\$ 5,925	\$ 4,143	\$ 1,750	\$ 3,270
400 AMP	7,504	13,821	8,244	3,464	4,104	9,192	10,350	8,286	3,536	6,541
Commercial (120/240 1 Phase)										
200 AMP	\$ 4,684	\$ 6,911	\$ 6,529	\$ 3,177	\$ 4,104	\$ 4,596	\$ 5,925	\$ 4,143	\$ 3,501	\$ 3,270
400 AMP	8,784	13,821	13,058	4,312	6,498	9,192	10,350	8,286	7,002	6,541
600 AMP	16,399	20,732	19,587				14,775		10,503	
Commercial (200/120V 3 Phase)										
200 AMP	\$ 8,840	\$ 10,375	\$ 13,068	\$ 7,671	\$ 6,156	\$ 6,899	\$ 9,998	\$ 12,946	\$ 2,628	\$ 9,819
400AMP	17,460	20,750	26,136	15,589	12,312	13,797	17,775	25,892	5,255	19,637
600 AMP	25,161	31,124	19,587	23,259	24,624	20,696	26,663	43,154	7,883	29,456
Commercial 480/277V 3 Phase)										
200 AMP	\$ 18,577	\$ 23,940	\$ 30,157	\$ 18,063	\$ 14,364	\$ 15,920	\$ 23,080	\$ 12,946	\$ 6,064	\$ 22,659
400 AMP	36,519	47,880	60,315	35,879	28,386	31,840	41,031	25,892	12,128	45,317
800 AMP	72,437	95,760	120,629	71,758	56,772	63,679	82,061	69,046	24,256	67,976
1200 AMP	110,497	143,554	180,944	107,884	85,158	95,199	123,092	86,308	36,383	135,951



Heber Light & Power Company

Impact Fee Rates

Single Phase 120 / 240 Voltage Impact Fees

Per Amp Rate: \$34.56

Service Size in Amps	Impact Fee Amount
25	\$ 864.00
75	\$ 2,592.00
100	\$ 3,456.00
125	\$ 4,320.00
150	\$ 5,184.00
175	\$ 6,048.00
200	\$ 6,912.00
400	\$ 13,824.00
500	\$ 17,280.00
600	\$ 20,736.00
700	\$ 24,192.00
800	\$ 27,648.00
900	\$ 31,104.00
1000	\$ 34,560.00
1100	\$ 38,016.00
1200	\$ 41,472.00

Three Phase 120 / 208 Voltage Impact Fees

Per Amp Rate: \$51.90

Service Size in Amps	Impact Fee Amount
25	\$ 1,297.50
75	\$ 3,892.50
100	\$ 5,190.00
125	\$ 6,487.50
150	\$ 7,785.00
175	\$ 9,082.50
200	\$ 10,380.00
400	\$ 20,760.00
500	\$ 25,950.00
600	\$ 31,140.00
700	\$ 36,330.00
800	\$ 41,520.00
900	\$ 46,710.00
1000	\$ 51,900.00
1100	\$ 57,090.00
1200	\$ 62,280.00
1300	\$ 67,470.00
1400	\$ 72,660.00
1500	\$ 77,850.00
1600	\$ 83,040.00
1700	\$ 88,230.00
1800	\$ 93,420.00
1900	\$ 98,610.00
2000	\$ 103,800.00
2500	\$ 129,750.00
3000	\$ 155,700.00

Three Phase 277 / 480 Voltage Impact Fees

Per Amp Rate: \$119.70

Service Size in Amps	Impact Fee Amount
25	\$ 2,992.50
75	\$ 8,977.50
100	\$ 11,970.00
125	\$ 14,962.50
150	\$ 17,955.00
175	\$ 20,947.50
200	\$ 23,940.00
400	\$ 47,880.00
500	\$ 59,850.00
600	\$ 71,820.00
700	\$ 83,790.00
800	\$ 95,760.00
900	\$ 107,730.00
1000	\$ 119,700.00
1100	\$ 131,670.00
1200	\$ 143,640.00
1300	\$ 155,610.00
1400	\$ 167,580.00
1500	\$ 179,550.00
1600	\$ 191,520.00
1700	\$ 203,490.00
1800	\$ 215,460.00
1900	\$ 227,430.00
2000	\$ 239,400.00
2500	\$ 299,250.00
3000	\$ 359,100.00

Public Hearing on 2026 Capital and Operating Budget and Fee Schedule



Board Meeting November 19, 2025



Heber Light & Power

Calendar Year 2026

Fees/Rates, Operating and Capital Budgets

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Draft - Public Hearing Copy

2026 Rates/Fees

Fees

Description	Amount	Comments
<u>Billing/Office Fees</u>		
Convenience Fee	3%	Used on Impact Fee and Work Order credit card payments only
Late Payment Charge (Compounded)	1.5%	Applied on any past due amounts
Returned Payment Charge	15.00	
Reconnect Fee	30.00	
Service Application Fee	20.00	
Seasonal Disconnect Fee	50.00	
<u>Construction Fees</u>		
Impact Fee	Amperage Calc	Included in current schedule
Line Extension/New Development - Installation	Bid Estimate	Estimate for Labor, Materials, and Overhead provided upon request
Initiation/Will Serve	200.00	Check only
Design Fee	300.00	This is a per development phase fee
Design Fee (resubmit)	20.00	Per residential/commercial unit
Truck Roll Fee	85.00	Set fee for extra vehicle trips, i.e. reinspection, meter verification, troubleshooting customer side, etc...
Dig-in/Damage Mobilization Fee	Graduated	\$300 minimum, \$1,000/hr. when outage exceeds 1 hr.
Temporary Meter Connection	500.00	Fee for new services that desire a temporary meter set
<u>New Service / Meter Related Fees</u>		
Wire Pull (up to 400 amps)	380.00 plus meter	Customer responsible for wire on services larger than 400 amps.
Meter Installation Fee – Single Phase	235.00	All new meter issuances regardless of reason, does not include replacement meters.
Meter Installation Fee – 3-Phase	470.00	
Meter - Nonstandard Meter - Monthly Meter Reading Charge	20.00	Typically, those meters that must be manually read
Net Metering - Application Fee	400.00	Included in current schedule.
<u>Device Fees</u>		
Generation Transfer Switch - Preliminary Inspection Fee	100.00	Verification trip for sizing and device appropriateness
Generation Transfer Switch - Installation Fee	100.00	Installation and meter re-installation
Outside Lighting (Yard Lights)	\$7.50/Month	Set fee regardless of consumption levels
Outside Lighting Maintenance	25.00 plus parts	

Electric Service Rates

<i>Residential (Opt-out rates for customers starting 2026)</i>	<u>04/23/25 – 09/22/26</u>	<u>09/23/26 – 09/22/27</u>
Base/Customer Charge: <=400 AMP / >400 AMP	18.40 / 35.40	18.90 / 36.90
1st 1,000 kWh	0.11823/kWh	0.12077/kWh
All Additional	0.14134/kWh	0.14438/kWh
Solar Net Meter	(0.0900)/kWh	(0.0900)/kWh
<i>Residential (Time-of-Use)</i>		
Base/Customer Charge: <=400 AMP / >400 AMP	18.40 / 35.40	18.90 / 36.90
Winter On-Peak	0.18984/kWh	0.20625/kWh
Winter Off-Peak	0.08629/kWh	0.08250/kWh
Summer On-Peak	0.24207/kWh	0.26667/kWh
Summer Off-Peak	0.10525/kWh	0.10063/kWh
<i>Residential - Pumping</i>		
Base/Customer Charge	18.40	18.90
Demand Rate	0.25/kW	0.50/kW
1st 1,000 kWh	0.11820/kWh	--
All Additional	0.14130/kWh	--
Winter On-Peak	--	0.14029/kWh
Winter Off-Peak	--	0.12199/kWh
Summer On-Peak	--	0.14029/kWh
Summer Off-Peak	--	0.12199/kWh
<i>General Service - Small (1kW <X<= 30kW) (Single Phase)</i>		
Base/Customer Charge	26.00	29.00
Demand Rate	12.10/kW	12.60/kW
1st 500 kWh	0.08549/kWh	0.07815/kWh
All Additional	0.06839/kWh	0.07034/kWh
<i>General Service - Small (1kW <X<= 30kW) (3-Phase)</i>		
Base/Customer Charge	35.00	39.00
Demand Rate	12.10/kW	12.60/kW
1st 500 kWh	0.08549/kWh	0.07815/kWh
All Additional	0.06839/kWh	0.07034/kWh
<i>General Service - Small (1kW <X<= 30kW) Pumping</i>		
Base/Customer Charge	41.00	44.50
Demand Rate	9.85/kW	9.85/kW
Winter On-Peak	0.11397/kWh	0.12314/kWh
Winter Off-Peak	0.05698/kWh	0.06157/kWh
Summer On-Peak	0.13901/kWh	0.15019/kWh
Summer Off-Peak	0.06950/kWh	0.07510/kWh
<i>General Service - Medium (>30kW & <= 250kW)</i>		
Base/Customer Charge	150.00	155.00
Demand Rate	14.45/kW	14.95/kW
All Energy	0.06841/kWh	0.07048/kWh
<i>General Service - Medium (>30kW) - Pumping</i>		
Base/Customer Charge	150.00	155.00

Demand Rate	9.85/kW	9.85/kW
Winter On-Peak	0.11397/kWh	0.12314/kWh
Winter Off-Peak	0.05698/kWh	0.06157/kWh
Summer On-Peak	0.13901/kWh	0.15019/kWh
Summer Off-Peak	0.06950/kWh	0.07510/kWh

General Service - Large (> 250kW)

Base/Customer Charge	357.00	372.00
Demand Rate	15.35/kW	15.35/kW
All kWh	0.06541/kWh	--
Winter On-Peak	--	0.08199/kWh
Winter Off-Peak	--	0.06073/kWh
Summer On-Peak	--	0.10000/kWh
Summer Off-Peak	--	0.07408/kWh

Energy Rebate Schedule

**Energy Star Rated Appliance
(per Terms and Conditions)**

Rebate Amount

Air Source Heat Pump Replacement	\$250 - \$1,600
	Based on Upgrade or Conversion and Efficiency Rating
Ceiling Fans	\$20
Central Air Conditioner	\$350 - \$750
	Based on Efficiency Rating
Duel Fuel Heat Pump	\$1,400 - \$1,800
	Based on Efficiency Rating
Ductless Heat Pump	\$600 - \$1,700
	Based on Efficiency Rating and Unit Heads
ECM Furnace Blower	\$100
Ground Source Heat Pump	\$2,500
Heat Pump (Hybrid) Water Heater	\$1,000
Heat Tape Timer	\$100
Powder Watts	\$637/zone
Refrigerator	\$50
Smart Thermostat	\$75
Whole House Fan	\$75

Heber Light & Power Company

2026 Budget – Executive Summary (State Format)

	2024 Actual	2025 Budget	2025 Forecast	2026 Budget
REVENUES				
Electricity Sales	\$23,757,231	\$25,725,723	\$29,907,653	\$32,527,713
Electricity Sales - Jordanelle	1,834,964	1,605,896	1,880,571	1,882,055
Connect Fees	149,673	140,741	182,596	180,000
Other / Miscellaneous Income	249,911	289,063	320,247	265,602
<i>Total Revenues</i>	<i>\$25,991,779</i>	<i>\$27,761,423</i>	<i>\$32,291,067</i>	<i>\$34,855,371</i>
COST OF ELECTRIC SERVICE				
Power Purchases	(11,442,806)	(14,675,062)	(15,096,966)	(13,526,254)
Power Purchases - Jordanelle	(1,834,964)	(1,542,601)	(1,880,571)	(1,882,055)
Salaries, Wages, Benefits (Unall	(1,012,834)	(1,243,314)	(964,158)	(1,192,485)
System Maintenance / Training	(5,352,559)	(5,165,295)	(5,656,353)	(5,671,053)
Depreciation (Unallocated)	(3,398,471)	(4,605,774)	(4,182,475)	(5,880,000)
Gas Generation	(1,861,785)	(3,169,394)	(2,289,290)	(4,589,065)
Other	(309,337)	(379,113)	(445,326)	(451,500)
Vehicle	(524,814)	(523,499)	(667,193)	(643,000)
Office	(153,808)	(155,298)	(140,885)	(155,000)
Energy Rebates	(54,179)	(150,000)	(150,000)	(150,000)
Professional Services	(225,172)	(231,435)	(289,703)	(345,000)
Materials	(180,777)	(226,023)	(251,020)	(235,600)
Building Expenses	(49,257)	(42,353)	(57,579)	(52,000)
Bad Debts	(25,680)	(24,915)	(24,915)	(25,000)
<i>Total Operating Expenses</i>	<i>(26,426,443)</i>	<i>(32,134,076)</i>	<i>(32,096,434)</i>	<i>(34,798,012)</i>
Operating Income	(434,664)	(2,953,175)	194,633	57,359
Operating Income less Depreciation	2,963,807	1,652,599	4,377,108	5,937,359
<i>Non-Operating Revenues (Expenses)</i>				
Debt Service	(1,632,141)	(2,183,201)	(1,683,179)	(3,508,574)
Interest Income	1,668,408	645,000	944,097	360,000
Impact Fees	4,142,767	3,000,000	3,910,714	3,000,000
Contributions in aid of Construc	5,359,622	3,000,000	6,552,956	3,000,000
Dividends	(0)	(300,000)	(0)	(300,000)
OPERATING MARGIN	12,502,463	5,814,398	14,101,696	8,488,785
CAPITAL EXPENDITURES				
Generation - Hydro	0	25,000	0	25,000
Generation – Gas Plant	550,259	3,515,000	3,405,675	4,615,000
Distribution	4,416,420	10,129,000	6,976,258	6,889,000
Substation	0	220,000	20,729,686	89,000
Metering	147,769	114,000	112,844	114,000
Buildings	8,228	23,458,000	0	23,458,000
Vehicles	522,504	740,000	1,635,580	365,000
Tools	62,319	340,000	300,337	696,000
Technology – IT	37,532	325,000	135,709	430,000
<i>Total Capital</i>	<i>5,745,031</i>	<i>38,866,000</i>	<i>33,296,089</i>	<i>36,681,000</i>

Heber Light & Power Company

2026 Budget – Executive Summary (Actuals Format)

	2023 Actual	2024 Actual	2025 Forecast	2026 Budget
REVENUES				
Electricity Sales	\$21,602,690	\$23,757,231	\$29,907,653	\$32,527,713
Electricity Sales - Jordanelle	1,142,043	1,834,964	1,880,571	1,882,055
Connect Fees	133,526	149,673	182,596	180,000
Other / Miscellaneous Income	199,128	249,911	320,247	265,602
<i>Total Revenues</i>	<i>\$23,077,387</i>	<i>\$25,991,779</i>	<i>\$32,291,067</i>	<i>\$34,855,371</i>
COST OF ELECTRIC SERVICE				
Power Purchases	(12,610,175)	(11,442,806)	(15,096,966)	(13,526,254)
Power Purchases - Jordanelle	(1,142,043)	(1,834,964)	(1,880,571)	(1,882,055)
Salaries, Wages, Benefits (Unall	(395,693)	(1,012,834)	(964,158)	(1,192,485)
System Maintenance / Training	(4,750,443)	(5,352,559)	(5,656,353)	(5,671,053)
Depreciation (Unallocated)	(3,004,438)	(3,398,471)	(4,182,475)	(5,880,000)
Gas Generation	(1,898,660)	(1,861,785)	(2,289,290)	(4,589,065)
Other	(275,638)	(309,337)	(445,326)	(451,500)
Vehicle	(418,186)	(524,814)	(667,193)	(643,000)
Office	(141,962)	(153,808)	(140,885)	(155,000)
Energy Rebates	(40,524)	(54,179)	(150,000)	(150,000)
Professional Services	(231,565)	(225,172)	(289,703)	(345,000)
Materials	(252,471)	(180,777)	(251,020)	(235,600)
Building Expenses	(45,975)	(49,257)	(57,579)	(52,000)
Bad Debts	(15,576)	(25,680)	(24,915)	(25,000)
<i>Total Operating Expenses</i>	<i>(25,223,349)</i>	<i>(26,426,443)</i>	<i>(32,096,434)</i>	<i>(34,798,012)</i>
Operating Income	(2,145,963)	(434,664)	194,633	57,359
Operating Income less Depreciation	858,476	2,963,807	4,377,108	5,937,359
<i>Non-Operating Revenues (Expenses)</i>				
Debt Service	(1,322,344)	(1,632,141)	(1,683,179)	(3,508,574)
Interest Income	276,314	1,668,408	944,097	360,000
Impact Fees	3,195,068	4,142,767	3,910,714	3,000,000
Contributions in aid of Construc	4,056,099	5,359,622	6,552,956	3,000,000
Dividends	(300,000)	(0)	(0)	(300,000)
OPERATING MARGIN	6,763,613	12,502,463	14,101,696	8,488,785
CAPITAL EXPENDITURES				
Generation - Hydro	118,836	0	0	25,000
Generation – Gas Plant	710,000	550,259	3,405,675	4,615,000
Distribution	8,897,722	4,416,420	6,976,258	6,889,000
Substation	2,400,000	0	20,729,686	89,000
Metering	115,989	147,769	112,844	114,000
Buildings	19,405	8,228	0	23,458,000
Vehicles	171,358	522,504	1,635,580	365,000
Tools	385,042	62,319	300,337	696,000
Technology – IT	471,046	37,532	135,709	430,000
<i>Total Capital</i>	<i>13,289,398</i>	<i>5,745,031</i>	<i>33,296,089</i>	<i>36,681,000</i>

Operating Expenditures Budget

Revenues

The 2026 electricity revenues are budgeted to increase 9% over the projected 2025 revenues. This represents a conservative estimate for the trended load growth and implementation of a rate increase adopted during 2025.

Revenues associated with Capital in Aid of Construction and Impact Fees are not included as these revenues are not regular and are typically subject to external economic conditions.

	<u>2024 Actual</u>	<u>2025 Budget</u>	<u>2025 Forecast</u>	<u>2026 Budget</u>
REVENUES				
Electricity Sales	\$23,757,231	\$25,725,723	\$29,907,653	\$32,527,713
Electricity Sales - Jordanelle	1,834,964	1,605,896	1,880,571	1,882,055
Connect Fees	149,673	140,741	182,596	180,000
Other / Miscellaneous Income	249,911	289,063	320,247	265,602
<i>Total Revenues</i>	<i>\$25,991,779</i>	<i>\$27,761,423</i>	<i>\$32,291,067</i>	<i>\$34,855,371</i>

Expenses

Power Purchased

Power Purchased expense is calculated by analyzing supply requirements, identifying the cost of supply from individual sources and adding contingency pricing for market fluctuations.

Wages and Board Compensation

Included in the wages and board compensation expense are amounts for the current complement of employees.

Board Compensation

<u>Board Position</u>	<u>Stipend Amount</u>
Chair	7,295.04
Member 1	5,703.84
Member 2	5,703.84
Member 3	5,703.84
Member 4	5,703.84
Member 5	<u>5,703.84</u>
	\$35,814.24
Committee Compensation	4,185.76

Repairs & Maintenance

Repairs and maintenance are expected to continue in 2026. The addition of 1 new employee is included in this budget thus increasing the overall maintenance and repair costs.

Travel & Training

To maintain the advanced technical knowledge required in the industry, various training initiatives for staff are included in the 2026 Budget.

Capital Expenditures Budget

The Capital Budget for 2026 totals \$36,681,000. Heber Light & Power anticipates utilizing revenue from energy sales, debt financing, capital in aid of construction and through impact fees to complete the 2026 capital program. In the event these resources are insufficient to meet these anticipated capital addition expenditures, Heber Light & Power has two other payment mechanisms at its disposal. First, Heber Light & Power can use additional debt-financing in the event additional funds are required to complete the needed capital expansion projects. This, however, is limited to maintaining covenant requirements of existing debt. The second is through reserve accounts of which Heber Light & Power maintains two such funds. The first such fund is a contingency fund with a current balance of roughly \$2.0 million which is available to address certain large capital purchases and /or reserve requirements associated with internal generation, rate stabilization and power market escalation. The second such fund is a capital reserve fund meant to supply quick access to funds to complete major projects considered in the Company's current Strategic Plan.

Also included in the table below are principal payments relating to the Company's long-term debt.

<u>Classification</u>	<u>Expenditure</u>	<u>Impact</u>	<u>CIAC</u>	<u>Net Amount</u>
Generation - Hydro	25,000	-	-	25,000
Generation – Gas Plant	4,615,000	-	-	4,615,000
Distribution	6,889,000	-	(3,000,000)	3,889,000
Substation	89,000	-	-	89,000
Metering	114,000	-	(96,000)	18,000
Buildings	23,458,000	(3,000,000)	-	20,458,000
Vehicles	365,000	-	-	365,000
Tools	696,000	-	-	696,000
Technology – IT	430,000	-	-	430,000
Total Capital Expenditures:				<u>\$30,585,000</u>
Principal Payments on Long-Term Debt:				2,170,000
Total Cash Requirements:				<u>\$32,755,000</u>
Cash on Hand:				
Current CWIP				23,303,564
CIAC Funds				2,610,305
2023 Bond				3,279,891
Projects Reserve				773,204
Total Cash Available for Projects:				<u>\$29,966,964</u>
Total Funds to Raise to Complete Capital Plan:				<u>\$2,788,036</u>

Detailed capital project descriptions in support of these amounts are included on the following pages.

Heber Light & Power - Five Year Forecast and Capital Improvement Plan

Upcoming Projects	Prior	2026	2027	2028	2029	Projected Cost (\$1,000)							Impact Fee Related %	Impact Fee Related \$	Capacity Additions
Buildings															
Generator Fire Suppression System	1,526	1,150	-	-	-	-	-	-	-	-	-	2,676	0%	-	0
College Substation Perimeter Xeroscaping	-	-	750	-	-	-	-	-	-	-	-	750	0%	-	0
New Office Building - Phase 2 (Current Campus Modifications)	-	1,050	-	-	-	-	-	-	-	-	-	1,050	0%	-	0
New Communications Building	-	100	-	-	-	-	-	-	-	-	-	100	0%	-	0
Southfield Substation Landscaping CUP Adherence	-	-	-	-	-	1,200	-	-	-	-	-	1,200	0%	-	0
Plant 2/3 Wiring Upgrade	-	450	-	-	-	-	-	-	-	-	-	450	0%	-	0
Plant Equipment Relocation Electrical Upgrades	-	8	-	-	-	-	-	-	-	-	-	8	0%	-	0
Plant Air Line Upgrades	-	10	-	-	-	-	-	-	-	-	-	10	0%	-	0
Lake Creek Access Road	-	10	-	-	-	-	-	-	-	-	-	10	0%	-	0
Plant 2 Roof	-	30	-	-	-	-	-	-	-	-	-	30	0%	-	0
Fleet Maintenance Configuration	-	150	150	-	-	-	-	-	-	-	-	300	0%	-	0
New Office Building - Phase 3 (Site)	-	-	1,200	-	-	-	-	-	-	-	-	1,200	43%	516	0
	1,526	2,958	2,100	-	-	1,200	-	-	-	-	-	7,784		516	0
Generation															
Annual Generation Capital Improvements	-	50	50	50	50	50	50	50	50	50	50	500	0%	-	0
Lower Snake Creek Plant Upgrade	-	5	5	5	5	5	5	5	5	5	5	50	0%	-	0
Upper Snake Creek Capital Improvements	-	5	5	5	5	5	5	5	5	5	5	50	0%	-	0
Lake Creek Capital Improvements	-	25	5	5	5	5	5	5	5	5	5	70	0%	-	0
Lake Creek Bearing Replacement	-	-	20	-	-	-	-	-	-	-	-	20	100%	20	0
Hydro Plant Battery Replacement	20	5	15	-	-	-	-	-	-	-	-	40	100%	40	0
Power Plant Cooling and Plumbing Upgrades	-	160	-	-	-	-	-	-	-	-	-	160	100%	160	0
Unit Overhauls	-	425	250	250	500	-	-	-	-	-	-	1,425	0%	-	0
Plant 2 Switchgear Upgrade	-	1,300	-	-	-	-	-	-	-	-	-	1,300	0%	-	0
New Generation (Battery, Engine)	-	4,400	-	-	-	-	-	-	-	-	-	4,400	100%	4,400	8,000
Plant Hydraulic System Upgrade	-	50	-	-	-	-	-	-	-	-	-	50	0%	-	0
Hap Guard Sensor Replacements	-	30	-	-	-	-	-	-	-	-	-	30	0%	-	0
Unit 1 Turbo Upgrade	-	85	-	-	-	-	-	-	-	-	-	85	0%	-	0
Plant 3 Stack and Beam Painting	-	-	-	-	25	-	45	-	-	-	-	70	0%	-	0
Plant 2 Hillyard Installs	-	65	-	-	-	-	-	-	-	-	-	65	0%	-	0
Plant 2 Space Heater Installations	-	10	-	-	-	-	-	-	-	-	-	10	0%	-	0
Plant 1 Replacement	-	17,000	13,000	2,500	2,500	2,500	-	-	-	-	-	37,500	100%	37,500	15,000
	20	23,615	13,350	2,815	3,090	2,565	110	65	65	65	65	45,825		42,120	23,000
Substations															
Southfield Substation	22,532	-	-	-	9,000	-	-	-	-	-	-	31,532	70%	22,072	100,000
Gas Plant 2 XFMR Upgrade and Substation Rebuild	-	-	3,720	-	-	-	-	-	-	-	-	3,720	0%	-	7,500
Heber Relay Upgrade	-	-	30	35	-	-	-	-	-	-	-	65	0%	-	0
Heber Battery Replacement	-	7	-	-	-	-	-	-	-	-	-	7	0%	-	0
Jailhouse Fence Replacement	-	50	350	-	-	-	-	-	-	-	-	400	0%	-	0
College Relay Upgrade	-	60	-	-	-	-	-	-	-	-	-	60	0%	-	0
Midway Substation - High Side Rebuild & 138kV Conversion	-	2,400	3,000	-	-	-	-	-	-	-	-	5,400	90%	4,860	15,000
Gas Plant 1 Interconnection to Heber Substation	-	-	200	500	-	-	-	-	-	-	-	700	100%	700	0
Cloyes LTC Rebuild	-	-	-	-	-	40	-	-	-	-	-	40	0%	-	0
Capacitor Control Replacement	-	12	-	-	-	-	-	-	-	-	-	12	0%	-	0
North Dam POD Substation	2,850	-	5,000	10,000	-	-	-	-	-	-	-	17,850	100%	17,850	100,000
Daniels Canyon Substation	2,000	1,000	3,500	2,228	5,772	2,772	-	-	-	-	-	17,272	100%	17,272	40,000
	27,382	3,529	15,800	12,763	14,772	2,812	-	-	-	-	-	77,058		62,754	

Heber Light & Power - Five Year Forecast and Capital Improvement Plan

Upcoming Projects		Prior	2026	2027	2028	2029	Projected Cost (\$1,000)					2034	2035	Total	Impact Fee Related %	Impact Fee Related \$	Capacity Additions
Lines																	
Underground System Improvements	-	289	290	290	290	290	290	290	290	290	290	290	2,899	0%	-	0	
Aged & Environmental Distribution Replacement/Upgrade	-	231	250	250	250	250	250	250	250	250	250	250	2,481	0%	-	0	
Fault Indicator - Underground System	-	10	10	10	10	10	10	10	10	10	10	10	100	0%	-	0	
Annexation Asset Purchase	-	25	25	25	25	25	25	25	25	25	25	25	250	100%	250	0	
ROW Purchases	-	1,000	500	-	-	-	-	-	-	-	-	-	1,500	0%	-	0	
Heber Substation Additional Circuits (South & West)	-	1,150	-	-	-	-	-	-	-	-	-	-	1,150	100%	1,150	13,000	
Tie line from 305 to 402 to 303	-	175	-	-	-	-	-	-	-	-	-	-	175	100%	175	5,000	
Rebuild PR201_Main Street to Burgi Lane	771	700	-	-	-	-	-	-	-	-	-	-	1,471	100%	1,471	12,000	
Fire Mitigation - Single Phase Reclosers	-	180	-	-	-	-	-	-	-	-	-	-	180	0%	-	0	
Provo River Substation Get Aways Reconnect to New Site	350	750	-	-	-	-	-	-	-	-	-	-	1,100	100%	1,100	0	
Additional Circuits out of Jailhouse to the East	-	-	300	-	-	-	-	-	-	-	-	-	300	100%	300	13,000	
Additional Circuits out of College to South and East	-	350	1,000	-	-	-	-	-	-	-	-	-	1,350	100%	1,350	13,000	
College to Heber Circuit Network Upgrades	-	250	250	250	-	-	-	-	-	-	-	-	750	100%	750	10,000	
Tie 502 to 505	-	400	-	-	-	-	-	-	-	-	-	-	400	100%	400	5,000	
Load to Parsons (Reconductor)	-	-	200	-	-	-	-	-	-	-	-	-	200	0%	-	3,000	
Reconductor Heber City Main 600 S to 1000 S	-	-	200	-	-	-	-	-	-	-	-	-	200	100%	200	5,000	
Midway Substation - Get Aways	-	-	200	-	-	-	-	-	-	-	-	-	200	50%	100	2,000	
Airport Road Rebuild & Loop	-	1,000	-	-	-	-	-	-	-	-	-	-	1,000	100%	1,000	5,000	
Reconductor JH502/503_Old Mill Drive - 800 South to 1200 South	-	-	750	-	-	-	-	-	-	-	-	-	750	100%	750	8,000	
New Circuit to Hwy 32	-	-	-	1,000	-	-	-	-	-	-	-	-	1,000	100%	1,000	0	
Jailhouse Tap Transmission Line and Daniels Canyon Substation	-	-	1,000	2,900	-	-	-	-	-	-	-	-	3,900	100%	3,900	9,500	
Reconductor MW101/102 from 4/0 to 477	-	-	-	938	-	-	-	-	-	-	-	-	938	100%	938	6,000	
Reconductor Pine Canyon Road - Midway	-	-	-	-	250	-	-	-	-	-	-	-	250	60%	150	0	
Reconductor Jailhouse to Timber Lakes (Regulators)	-	-	1,000	-	-	-	-	-	-	-	-	-	1,000	100%	1,000	0	
Rebuild CL402_600 West to Tate Lane	-	-	-	-	1,296	-	-	-	-	-	-	-	1,296	100%	1,296	6,400	
Reconductor Heber Sub to New High School	-	200	-	-	-	-	-	-	-	-	-	-	200	75%	150	0	
Feeder Reliability Improvement	-	189	189	189	378	378	378	-	-	-	-	-	1,701	0%	-	0	
2034 Olympic Winter Games Impacts	-	-	-	-	-	-	-	-	-	-	-	-	-	100%	-	0	
	1,121	6,899	6,164	5,852	2,499	953	953	575	575	575	575	26,741			14,834	115,900	
Information Technology																	
Annual IT Upgrades	-	85	85	85	85	85	85	85	85	85	85	85	850	0%	-	0	
- Computer/Server/Equipment Replacements	-	85	85	85	85	85	85	85	85	85	85	85	850	0%	-	0	
- Fiber Upgrade 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	0	
Annual OT Upgrades	-	180	180	180	300	30	30	30	35	30	30	30	1,025	0%	-	0	
Smart Grid Investment	-	10	10	10	10	10	10	10	10	10	10	10	100	0%	-	0	
AMI Tower - North Village	-	70	70	-	-	-	-	-	-	-	-	-	140	100%	140	0	
	-	430	430	360	480	210	210	210	215	210	210	2,115			5,080		
Tools and Equipment																	
Annual Tool & Equipment Purchases	-	846	90	-	-	-	-	-	-	-	-	-	936	0%	-	0	
Metering	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	0	
Substations	-	-	60	-	-	-	-	-	-	-	-	-	60	0%	-	0	
Distribution	-	355	-	-	-	-	-	-	-	-	-	-	355	0%	-	0	
Generation	-	111	30	-	-	-	-	-	-	-	-	-	141	0%	-	0	
Fleet	-	100	-	-	-	-	-	-	-	-	-	-	100	0%	-	0	
Facilities	-	280	-	-	-	-	-	-	-	-	-	-	280	0%	-	0	
Vehicles																	
Annual Vehicle Program	-	925	400	1,665	175	600	675	150	480	765	765	6,600	0%	-	0		
Fleet Vehicle	-	165	150	225	175	-	375	150	100	85	85	1,510	0%	-	0		
Line/Bucket Truck	-	-	-	300	-	600	300	-	-	300	300	1,800	0%	-	0		
Service Truck	-	760	-	1,140	-	-	-	-	380	380	380	3,040	0%	-	0		
Generation Service Truck with Crane	-	-	250	-	-	-	-	-	-	-	-	250	0%	-	0		
Trailer	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	0	
Annual Metering	-	114	114	114	114	114	114	114	114	114	114	1,140	0%	-	0		
Capital Project Subtotals	30,049	39,316	38,448	23,569	21,130	8,454	2,062	1,114	1,449	1,729	1,729	167,059	-	-	125,304	138,900	



Buildings

- 1) Generator Fire Suppression System
- 2) College Substation Perimeter Xeriscaping
- 3) New Office Building - Phase 2 (Current Campus Modifications)
- 4) New Communications Building
- 5) Southfield Substations Landscaping CUP Adherence
- 5) Plant 2/3 Wiring Upgrade
- 6) Miscellaneous Plant Upgrades
- 7) Fleet Maintenance Configuration
- 8) New Office Building - Phase 3 (Site Improvements)

Heber Light & Power

Project Analysis Form

Project Name: Generator Fire Suppression System

Project Driver: Safety

Priority Level: Medium

Purpose & Necessity:

Small fires are occasionally generated on and around the generators as a result of the excessive amounts of heat, fuel and available catalysts. As a result, the dispatchers and generation employees are using handheld extinguishing tools to extinguish these fires when they arise. Our insurance reviews are frequently critical of the lack of suppression systems on our generators and thus this project will increase safety as well as increase our insurability.

Plant 2: \$1,150,000

Plant 3 phase 1: \$888,107

Plant 3 phase 2: \$638,220

Risk Assessment:

Potential exists to have a major fire that either drastically damages the structure, equipment, or both. The damage can result from the fire itself or from the firefighting methods that will be employed by the local fire department with their water-based fighting technology. A larger risk exists in that employees are typically called upon to be the first line of defense to which they are woefully under supplied and un-trained.

Cash Flow Schedule:

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>Overall</u>
Internal Labor	1,529.67	2,077.16	1,350.00	-	-	3,000.00	7,956.83
Materials	17.25	2,749.76	1,200.00	-	-	1,500.00	5,467.01
Subcontractor	328,191.65	553,541.65	635,670.00	-	-	1,145,500.00	2,662,903.30
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 329,738.57	\$ 558,368.57	\$ 638,220.00	\$ -	\$ -	\$ 1,150,000.00	\$ 2,676,327.14
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$329,738.57</u>	<u>\$558,368.57</u>	<u>\$638,220.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,150,000.00</u>	<u>\$2,676,327.14</u>

Heber Light & Power

Project Analysis Form

Project Name: College Substation Perimeter Xeriscaping

Project Driver: Upgrade

Priority Level: Medium

Purpose & Necessity:

Years of erosion and lack of attention has the surrounding gravel at the College Substation needing a refresh.

Risk Assessment:

Without this project, further deterioration at the site will occur and lead to potential for unauthorized access into the station by animals.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	-	-	-	-	-
Materials	-	-	-	-	-	-	-
Subcontractor	-	10,000.00	-	-	-	-	10,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -	\$ 10,000.00
Impact Fee %	0%						0%
Net Amount:	<u>\$ -</u>	<u>\$ 10,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: New Office Building - Phase 2 (Current Campus Modifications)

Project Driver: Upgrade

Priority Level: High

Purpose & Necessity:

Upon moving into the new office building, adjustments will need to be made to the existing campus. The operations center will need to be renovated to be a warehouse only with few office spaces for the limited warehousemen. The line shop will need to be dealt with so as to serve in a better capacity. Cold storage will need to be torn down and the space leveled to match existing grade.

Risk Assessment:

Continue to have less than desirable warehousing capabilities as well as dilapidated and in-effective/unsafe structures on the site.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	25,000.00	10,000.00	-	-	-	35,000.00
Materials	-	-	-	-	-	-	-
Subcontractor	-	725,000.00	290,000.00	-	-	-	1,015,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ 750,000.00	\$ 300,000.00	\$ -	\$ -	\$ -	\$ 1,050,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ -</u>	<u>\$ 750,000.00</u>	<u>\$ 300,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,050,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: New Communications Building

Project Driver: Replacement

Priority Level: High

Purpose & Necessity:

Plant 1 is no longer an acceptable structure for the generation of electricity for resale. The units within the structure have either been sold or relocated on the site to plants 2 or 3. The building is in need of significant investment to make it suitable for continued use. The best option is to raze the building and replace it with different assets. The building currently hosts the communication point for multiple channels that the company uses. A new building will need to be constructed to house these critical communication assets if the site is to be re-purposed.

Risk Assessment:

Plant space can be redeveloped for better usage by the company but without this project, the communications channels to the site will be disrupted.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	15,000.00	-	-	-	-	-	15,000.00
Materials	110,000.00	-	-	-	-	-	110,000.00
Subcontractor	75,000.00	-	-	-	-	-	75,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 200,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 200,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Southfield Substation Landscaping CUP Adherence

Project Driver: Upgrade

Priority Level: Medium

Purpose & Necessity:

As part of the CUP approval process with Wasatch County to construct the Southfield Substation, HLP agreed to provide a landscaped perimeter to the substation.

Risk Assessment:

Failure to complete this work will find HLP in contempt of the Conditional Use Permit issued to construct the Southfield Substation. As such, the Company will forfeit its bond and faces the risk of fines and penalties.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	10,000.00	-	-	-	-	-	10,000.00
Materials	-	-	-	-	-	-	-
Subcontractor	1,190,000.00	-	-	-	-	-	1,190,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 1,200,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 1,200,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,200,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Plant 2/3 Wiring Upgrade

Project Driver: Upgrade

Priority Level: Medium

Purpose & Necessity:

Plants 2 and 3 have need to rewire the electrical system to accommodate the added/new equipment recently installed. Plant 2 has new switchgear being added to the plant to better monitor and control the engines. This equipment exceeds the existing electrical infrastructure within the plant. With the closing of plant 1 and the resultant transfer of the engines to plant 3 has fully filled all bays adding additional load on the electrical infrastructure.

Risk Assessment:

Without this project, plants 2 and 3 will not operate in as safe and efficient manner as needed with the current equipment.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	3,000.00	-	-	-	-	-	3,000.00
Materials	18,000.00	-	-	-	-	-	18,000.00
Subcontractor	37,000.00	-	-	-	-	-	37,000.00
Miscellaneous	-	-	-	-	-	-	-
Grant	-	-	-	-	-	-	-
Subtotal:	\$ 58,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,000.00
Impact Fee %	0%						
Net Amount:	<u>\$ 58,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Miscellaneous Smaller Capital Projects

Project Driver: Upgrade

Priority Level: Low

Purpose & Necessity:

Numerous capital building projects are needed to keep existing structures current and updated with best practices.

These Projects are as follows:

- a) Plant Equipment Relocation Upgrades - upgrades due to relocating plant 1 - \$8,000
- b) Plant Airline Upgrade - new airline to accommodate changes brought on existing - \$10,000
- c) Lake Creek Access Road - replace access road aggregate that has eroded over the years - \$10,000
- d) Plant 2 Roof - replace existing roof due to wear and tear - \$30,000

Risk Assessment:

Without this project, HLP will see that the generating facilities continue to have increased maintenance expenses and risk damage to the generators.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	3,000.00	-	-	-	-	-	3,000.00
Materials	18,000.00	-	-	-	-	-	18,000.00
Subcontractor	37,000.00	-	-	-	-	-	37,000.00
Miscellaneous	-	-	-	-	-	-	-
Grant	-	-	-	-	-	-	-
Subtotal:	\$ 58,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,000.00
Impact Fee %	0%						
Net Amount:	<u>\$ 58,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Fleet Maintenance Configuration

Project Driver: Growth

Priority Level: High

Purpose & Necessity:

HLP has grown its fleet to a point at which it has become economical to have a full-time fleet mechanic on staff. In order for this employee to function effectively, proper tooling must be acquired first. This project would cover the acquisition and set-up of all the necessary tooling and building adjustments.

Risk Assessment:

Stranded labor resource as the employee would not have the proper tooling or facility to complete their tasks.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	5,000.00	5,000.00	-	-	-	-	10,000.00
Materials	60,000.00	60,000.00	-	-	-	-	120,000.00
Subcontractor	85,000.00	85,000.00	-	-	-	-	170,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 150,000.00	\$ 150,000.00	\$ -	\$ -	\$ -	\$ -	\$ 300,000.00
Impact Fee %	0%						
Net Amount:	<u>\$ 150,000.00</u>	<u>\$ 150,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 300,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: New Office Building - Phase 3 (Site)

Project Driver: Upgrade

Priority Level: High

Purpose & Necessity:

The new building project does not include the completion of the site improvements for the entire site. This project has been delayed to provide ample time to make additional infrastructure adjustments so as to minimize disruptions to the new site during that adjustment period.

Risk Assessment:

Site adjustments will need to be made so as to limit the risk of fleet vehicles becoming mired in the muck. Additional mobility of certain equipment necessary to move equipment and materials around will be impacted.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	-	13,000.00	-	-	13,000.00
Materials	-	-	-	-	-	-	-
Subcontractor	-	-	-	1,187,000.00	-	-	1,187,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ -	\$ 1,200,000.00	\$ -	\$ -	\$ 1,200,000.00
Impact Fee %	43%	43%	43%	43%	43%	43%	43%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 684,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 684,000.00</u>



Generation

- 1) Annual Generation Capital Improvements
- 2) Lower Snake Creek Plant Upgrade
- 3) Upper Snake Creek Capital Improvements
- 4) Lake Creek Capital Improvements
- 5) Lake Creek Bearing Replacement
- 6) Hydro Plant Battery Replacement
- 7) Power Plant Cooling and Plumbing Upgrades
- 8) Unit Overhauls
- 9) Plant 2 Switchgear Upgrade
- 10) New Generation Assets
- 11) Plant Hydraulic System Upgrade
- 12) Miscellaneous Plant Upgrades
- 13) Plant 1 Replacement

Heber Light & Power

Project Analysis Form

Project Name: Capital Improvements - Generation

Project Driver: Reliability

Priority Level: High

Purpose & Necessity:

Each year various generation related assets are needed in order to prolong the life, meet additional environmental requirements, and increase capacity. As such a blanket amount is approved in order to increase response time when upgrades are required. Furthermore it eliminates the multiple approvals that could present themselves during the course of a year for minor capital asset additions.

Risk Assessment:

Equipment will wear down to a point of non-function thus requiring additional expense to restore them to functionality again. An additional risk is that of an environmental penalty or sanction resulting from tardiness installing needed equipment.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	60,000.00
Materials	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	240,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 300,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 50,000.00</u>	<u>\$ 50,000.00</u>	<u>\$ 50,000.00</u>	<u>\$ 50,000.00</u>	<u>\$ 50,000.00</u>	<u>\$ 50,000.00</u>	<u>\$ 300,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Lower Snake Creek Plant Upgrade

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

Each year various generation related assets are needed in order to prolong the life, meet additional environmental requirements, and increase capacity. As such a blanket amount is approved in order to increase response time when upgrades are required. Furthermore it eliminates the multiple approvals that could present themselves during the course of a year for minor capital asset additions.

Risk Assessment:

The facility will become unusable and thus eliminate the generating capacity that it provides to our system.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	6,000.00
Materials	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	24,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 30,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	
Net Amount:	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 30,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Upper Snake Creek Plant Upgrade

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

Each year various generation related assets are needed in order to prolong the life, meet additional environmental requirements, and increase capacity. As such a blanket amount is approved in order to increase response time when upgrades are required. Furthermore it eliminates the multiple approvals that could present themselves during the course of a year for minor capital asset additions.

Risk Assessment:

The facility will become unusable and thus eliminate the generating capacity that it provides to our system.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	6,000.00
Materials	24,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	44,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 25,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 50,000.00
Impact Fee %	0%	0%	0%	0%	0%		
Net Amount:	<u>\$ 25,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 50,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Lake Creek Improvements

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

Each year various generation related assets are needed in order to prolong the life, meet additional environmental requirements, and increase capacity. As such a blanket amount is approved in order to increase response time when upgrades are required. Furthermore it eliminates the multiple approvals that could present themselves during the course of a year for minor capital asset additions.

Risk Assessment:

The facility will become unusable and thus eliminate the generating capacity that it provides to our system.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	6,000.00
Materials	4,000.00	4,000.00	24,000.00	4,000.00	4,000.00	4,000.00	44,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 5,000.00	\$ 5,000.00	\$ 25,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 50,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 25,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 50,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Lake Creek Bearing Replacement

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

The breaker bearing on the Lake Creek Hydro unit is showing signs of fatigue. This project will replace the bearing on the breaker before a failure happens.

Risk Assessment:

Heber Light & Power will be unable to use the hydro unit if the bearing fails.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	-	5,000.00	-	-	-	-	5,000.00
Materials	-	15,000.00	-	-	-	-	15,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ 20,000.00	\$ -	\$ -	\$ -	\$ -	\$ 20,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Heber Light & Power

Project Analysis Form

Project Name: Hydro Plants Battery Replacement

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

The battery bank on the Lake Creek and Upper Snake Creek Hydro units are reaching their end of life. This project will replace the batteries before a failure happens.

Risk Assessment:

Heber Light & Power will be unable to use the hydro units if the battery fails.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	4,000.00	5,000.00	2,000.00	-	-	-	11,000.00
Materials	16,000.00	-	13,000.00	-	-	-	29,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 20,000.00	\$ 5,000.00	\$ 15,000.00	\$ -	\$ -	\$ -	\$ 40,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Heber Light & Power

Project Analysis Form

Project Name: Power Plant Cooling and Plumbing Upgrades

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

Various Cooling and plumbing upgrades are needed on plants 2 and 3 as identified below:

- Plant 3 Coolant Line Isolation (50)
- Plant 3 Roof Exhaust Fan (25)
- Plant 3 East Side Swamp Cooler Leveling (5)
- Plant 3 Lighting Upgrades (10)
- Plants 2 & 3 Low Coolant Alert Systems (65)
- Unit 5 Stack Water Piping Overhaul (5)

Risk Assessment:

Heber Light & Power will be see premature failures of engines due to inadequate cooling systems within the plant on both the plant ambient air systems and unit coolant systems. In addition, certain dark spots exist in both plants that causes both safety and efficiency concerns.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	5,000.00	-	-	-	-	-	5,000.00
Materials	15,000.00	-	-	-	-	-	15,000.00
Subcontractor	140,000.00	-	-	-	-	-	140,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 160,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 160,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Heber Light & Power

Project Analysis Form

Project Name: Unit Overhauls

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

The generating units are operated as needed until a requisite number of engine hours have been expired. As a measure of standard preventative maintenance, the engine is taken out of service and the engine is overhauled. The following engines are scheduled to reach their operating hours as follows:

Unit 1 - 2025

Risk Assessment:

Equipment will wear down to a point of non-function thus requiring additional expense to restore them to functionality again. An additional risk is that of an untimely outage of either of these two units. By scheduling the overhaul, control of the outage/loss of production can be managed.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	15,000.00	15,000.00	15,000.00	15,000.00	-	-	60,000.00
Materials	-	-	-	-	-	-	-
Subcontractor	410,000.00	235,000.00	235,000.00	485,000.00	-	-	1,365,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 425,000.00	\$ 250,000.00	\$ 250,000.00	\$ 500,000.00	\$ -	\$ -	\$ 1,425,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 425,000.00</u>	<u>\$ 250,000.00</u>	<u>\$ 250,000.00</u>	<u>\$ 500,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,425,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Plant 2 Switchgear Upgrade

Project Driver: Upgrade

Priority Level: High

Purpose & Necessity:

The switchgear in plant 2 are old enough now that they are coming to the end of their support life. In addition, the units going into the plant are reaching the maximum capacity of what the existing relays are rated for. This project will bring the switchgear up to current standards and estimated future loads. In addition, the new switchgear will be automated thus facilitating the transfer of dispatch personnel to the new building and removing operator duties from their workload.

Risk Assessment:

In the event of a generation event, the switchgear may not operate properly which would result in damage to more expensive equipment whether it be the generator or the transformer.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	13,000.00	-	-	-	-	-	13,000.00
Materials	1,287,000.00	-	-	-	-	-	1,287,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 1,300,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,300,000.00
Impact Fee %	0%						
Net Amount:	<u>\$ 1,300,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,300,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: New Generation

Project Driver: Growth

Priority Level: Medium

Purpose & Necessity:

The current generation portfolio will be heavily strained by 2030 without the procurement of other generating sources.

Load growth is projected to be regular and consistent. The generator portfolio is used regularly to defer the market risk that is inherent with the increasing resource needs of the company.

Risk Assessment:

Heber Light & Power is regularly attempting to diversify the generation portfolio. Without the acquisition of additional resources, the Company will be forced to purchase more energy from the market at the prevailing rates which may not favor the Company.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	18,000.00	-	-	-	-	-	18,000.00
Materials	-	-	-	-	-	-	-
Subcontractor	4,382,000.00	-	-	-	-	-	4,382,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 4,400,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,400,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Heber Light & Power

Project Analysis Form

Project Name: Plant Hydraulic Upgrade

Project Driver: Growth

Priority Level: Low

Purpose & Necessity:

Both the Lake Creek and Upper Snake Creek plants are showing signs of wear on their hydraulic equipment. Similar to an engine overhaul, these generators need to have some of their hydraulic equipment either replaced or repaired to extend the life of the unit.

Risk Assessment:

Without these repairs, the units themselves will continue to operate into a failure state. At that point the plants will be offline and providing no value to the company.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	2,500.00	2,500.00	-	-	-	-	5,000.00
Materials	-	-	-	-	-	-	-
Subcontractor	47,500.00	47,500.00	-	-	-	-	95,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 50,000.00	\$ 50,000.00	\$ -	\$ -	\$ -	\$ -	\$ 100,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 50,000.00</u>	<u>\$ 50,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Miscellaneous Plant Upgrades

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

Equipment aging has both efficiency and reliability concerns. This project will upgrade existing equipment to support added life or increased capacity. The following projects will be undertaken to increase both efficiency and reliability in the plants:

- Hap guard sensors (30)
- Unit 1 turbo upgrade (85)
- Plant 2 hillyards (65)
- Plant 2 space heater installations (10)

Risk Assessment:

This project attempts to improve efficiency and reliability. Without the completion of these tasks, the plants have increased exposure to temperature related failures, unit efficiency failures, and unsafe work conditions.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	15,000.00	-	-	-	-	-	15,000.00
Materials	-	-	-	-	-	-	-
Subcontractor	175,000.00	-	-	-	-	-	175,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 190,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 190,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 190,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 190,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Plant 1 Replacement

Project Driver: Upgrade

Priority Level: Low

Purpose & Necessity:

As Plant 1 is converted to other purposes, the plant itself will need to be replaced. This project will build a new plant on the end of the new office building as well as install a series of new units to provide heat to the building and additional generation capacity to the system.

Risk Assessment:

Less generation ability lends additional exposure to the market volatility.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	100,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	175,000.00
Materials	-	-	-	-	-	-	-
Subcontractor	900,000.00	16,985,000.00	12,985,000.00	2,485,000.00	2,485,000.00	2,485,000.00	38,325,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 1,000,000.00	\$ 17,000,000.00	\$ 13,000,000.00	\$ 2,500,000.00	\$ 2,500,000.00	\$ 2,500,000.00	\$ 38,500,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Lines

- 1) Underground System Improvements
- 2) Aged & Environmental Distribution Replacement / Upgrade
- 3) Fault Indicator - Underground System
- 4) Annexation Asset Purchase
- 5) ROW Purchases
- 6) Heber Substation Additional Circuits (South & West)
- 7) Tie Line from 305 to 402 to 303
- 8) Rebuild PR 201: Main Street to Burgi Lane
- 9) Fire Mitigation - Single Phase Reclosers
- 10) Provo River Substation Get Aways Reconnect to New Site
- 11) Additional Circuits out of Jailhouse to the East
- 12) Additional Circuits out of College to South and East
- 13) College to Heber Circuit Network Upgrades
- 14) Tie 502 to 505
- 15) Load to Parsons (Reconductor)
- 16) Reconductor Heber City Main Street: 600 South to 1000 South
- 17) Midway Substation - Get Aways
- 18) Airport Road Rebuild & Loop
- 19) Reconductor JH 502/503: Old Mill Drive - 800 South to 1200 South
- 20) New Circuit to Highway 32
- 21) Jailhouse Tap Transmission Line and East Extension
- 22) Reconductor MW 101/102: 4/0 to 477
- 23) Reconductor Pine Canyon Road - Midway
- 24) Reconductor Jailhouse to Timber Lakes (Regulators)
- 25) Rebuild CL 402: 600 West to Tate Lane
- 26) Reconductor Heber Sub to New High School
- 27) Feeder Reliability Improvement
- 28) 2034 Olympic Winter Games Impacts

Heber Light & Power

Project Analysis Form

Project Name: Underground System Improvements

Project Driver: Reliability

Priority Level: Low

Purpose & Necessity:

Underground equipment becomes subject to the elements and thus begin to show signs of aging and breakdown. Thus HL&P monitors the underground equipment for aging and periodically retires worn out assets by replacing them.

Risk Assessment:

By refusing to correct the installation issues in the underground assets, HL&P is at risk of unintentional outages and potential hazardous conditions for both employees and customers.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	34,000.00	35,000.00	35,000.00	35,000.00	35,000.00	35,000.00	209,000.00
Materials	218,000.00	218,000.00	218,000.00	218,000.00	218,000.00	218,000.00	1,308,000.00
Subcontractor	37,000.00	37,000.00	37,000.00	37,000.00	37,000.00	37,000.00	222,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 289,000.00	\$ 290,000.00	\$ 290,000.00	\$ 290,000.00	\$ 290,000.00	\$ 290,000.00	\$ 1,739,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 289,000.00</u>	<u>\$ 290,000.00</u>	<u>\$ 290,000.00</u>	<u>\$ 290,000.00</u>	<u>\$ 290,000.00</u>	<u>\$ 290,000.00</u>	<u>\$ 1,739,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Aged & Environmental Distribution Replacement/Upgrade

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

Distribution poles are subject to aging and decomposition. In addition, the equipment framing on some of the structures are of such an age in which proper safeguards were not put into to place to ensure raptor protection and safety. After having recently completed an avian study on the entire system as well as a pole density test on 50% of the system, it is imperative that replacement structures are installed in place of those identified as failing on either of the two studies.

Risk Assessment:

By refusing to correct the failing structures, HL&P is at risk of unintentional outages and potential hazardous conditions for both employees, customers, and wildlife.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	120,000.00
Materials	211,000.00	230,000.00	230,000.00	230,000.00	230,000.00	230,000.00	1,361,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 231,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 1,481,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 231,000.00</u>	<u>\$ 250,000.00</u>	<u>\$ 250,000.00</u>	<u>\$ 250,000.00</u>	<u>\$ 250,000.00</u>	<u>\$ 250,000.00</u>	<u>\$ 1,481,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Fault Indicator - Underground System

Project Driver: Reliability

Priority Level: Low

Purpose & Necessity:

Underground equipment becomes subject to the elements and thus begin to show signs of aging and breakdown. Thus HL&P monitors the underground equipment for aging and periodically retires worn out assets by replacing them. This project would put into place an annual amount that can be added to the system to help identify where faults are occurring on the underground portions of the distribution schedule.

Risk Assessment:

By refusing to correct the installation issues in the underground assets, HL&P is at risk of unintentional outages and potential hazardous conditions for both employees and customers.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	12,000.00
Materials	8,000.00	8,000.00	8,000.00	8,000.00	8,000.00	8,000.00	48,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 60,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 10,000.00</u>	<u>\$ 10,000.00</u>	<u>\$ 10,000.00</u>	<u>\$ 10,000.00</u>	<u>\$ 10,000.00</u>	<u>\$ 10,000.00</u>	<u>\$ 60,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Annexation Asset Purchase

Project Driver: Reliability

Priority Level: Low

Purpose & Necessity:

Heber city has undertaken an annexation plan that will encompass a large tract of land North of the existing HLP system. As such, existing assets will need to be purchased from PacifiCorp when an entity requests annexation. This is a blanket project to ensure annual funding exists for such asset purchases.

Risk Assessment:

HLP has no choice other than purchase the assets when an entity requests annexation into the City of Heber.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	-	-	-	-	-	-	-
Materials	-	-	-	-	-	-	-
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	150,000.00
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 150,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Heber Light & Power

Project Analysis Form

Project Name: ROW Purchases

Project Driver: Reliability

Priority Level: Low

Purpose & Necessity:

The system needs to upgrade to a 138kV system in order to remain reliable. This project will provide funds to allow a ROW agent to purchase rights-of-way along existing corridors for sizing upgrades.

Risk Assessment:

In order to build to the new standard of framing, HLP can exercise it's right in the existing perpetual easement. The right choice is the purchase and securing of solid, recorded easements prior to completing this work.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	-	-	-	-	-	-	-
Materials	-	-	-	-	-	-	-
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	300,000.00	1,000,000.00	500,000.00	-	-	-	1,800,000.00
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 300,000.00	\$ 1,000,000.00	\$ 500,000.00	\$ -	\$ -	\$ -	\$ 1,800,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Heber Light & Power

Project Analysis Form

Project Name: Additional Circuits out of Heber to the South and West

Project Driver: Growth

Priority Level: Medium

Purpose & Necessity:

The development within Heber City, and the Southwest side of Wasatch County have necessitated additional circuits out of the Heber Substation.

Risk Assessment:

Insufficient capacity to serve the numerous additional customers seeking service on the Southwest side of Heber City and Wasatch County. This project is 100% customer driven and thus it has slipped from year to year as the development is still pending.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	10,000.00	75,000.00	-	-	-	-	85,000.00
Materials	290,000.00	1,075,000.00	-	-	-	-	1,365,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 300,000.00	\$ 1,150,000.00	\$ -	\$ -	\$ -	\$ -	\$ 1,450,000.00
Impact Fee %	100%	100%	100%	0%	0%	0%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Heber Light & Power

Project Analysis Form

Project Name: Tie Line 305 to 402 to 303

Project Driver: Growth

Priority Level: High

Purpose & Necessity:

This tie will provide the company with additional looped feeders for future redundant system needs.

Risk Assessment:

Without completing this tie, an outage could drive an extended outage in particular sections of the system as redundant loops would not be in place to allow for switching efforts.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	31,000.00	31,000.00	-	-	-	-	62,000.00
Materials	144,000.00	144,000.00	-	-	-	-	288,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 175,000.00	\$ 175,000.00	\$ -	\$ -	\$ -	\$ -	\$ 350,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Heber Light & Power

Project Analysis Form

Project Name: Reconductor Provo River 201 (Main Street to Burgi Lane)

Project Driver: Reliability

Priority Level: High

Purpose & Necessity:

The current circuit engineering study has demonstrated that the stretch of Provo River 201 from Main Street to Burgi Lane will be undersized after 2021. In order to remedy this issue, the circuit will need to be reconducted through this section of the line.

Risk Assessment:

Failure of the existing assets will result in outages with a high likelihood of a prolonged outage. This project will achieve N-1 standard on this circuit. It is currently below this standard and as such the system reliability is at risk.

Cash Flow Schedule:

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>Overall</u>
Internal Labor	37,000.00	-	-	-	75,000.00	-	112,000.00
Materials	707,383.09	-	-	-	625,000.00	-	1,332,383.09
Subcontractor	26,616.91	-	-	-	-	-	26,616.91
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 771,000.00	\$ -	\$ -	\$ -	\$ 700,000.00	\$ -	\$ 1,471,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Heber Light & Power

Project Analysis Form

Project Name: Fire Mitigation - Single Phase Reclosers

Project Driver: Reliability

Priority Level: High

Purpose & Necessity:

The HLP system currently has some old reclosers that have seen their useful life expire. These reclosers are in areas prone to fire risk and as such need to be replaced with new reclosers.

2025 - Oak Haven(Swiss Oaks), Snake Creek Setting

2026 - Interlaken, Timber Lakes

Risk Assessment:

Failure to act might result in a damage causing wildfire in the event one of the existing reclosers fails.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	8,000.00	20,000.00	-	-	-	-	28,000.00
Materials	37,000.00	160,000.00	-	-	-	-	197,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 45,000.00	\$ 180,000.00	\$ -	\$ -	\$ -	\$ -	\$ 225,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 45,000.00</u>	<u>\$ 180,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 225,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Provo River Substation Get Aways Reconnect to New Site

Project Driver: Upgrade

Priority Level: Medium

Purpose & Necessity:

By building a new distribution substation within the Southfield's Substation, HLP is able to decommission the Provo River substation, once the loads have been transferred over. This project will extend the existing get aways from the current Provo River feeders to the new get aways.

Risk Assessment:

An old substation that is a bit of a hazard to HLP will need to remain in-service.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	46,500.00	15,000.00	-	-	-	-	61,500.00
Materials	303,500.00	1,125,000.00	-	-	-	-	1,428,500.00
Subcontractor	-	60,000.00	750,000.00	-	-	-	810,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 350,000.00	\$ 1,200,000.00	\$ 750,000.00	\$ -	\$ -	\$ -	\$ 2,300,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Heber Light & Power

Project Analysis Form

Project Name: Additional Circuits out of Jailhouse to the East

Project Driver: Growth

Priority Level: Medium

Purpose & Necessity:

The development of the South end of Heber City, and the East side of Wasatch County have necessitated additional circuits out of the Jailhouse Substation.

Risk Assessment:

Insufficient capacity to serve the numerous additional customers seeking service on the South side of Heber City and the East side of Wasatch County. This project is 100% customer driven and thus it has slipped from year to year as the development is still pending.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	-	56,000.00	-	-	56,000.00
Materials	-	-	-	244,000.00	-	-	244,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ -	\$ 300,000.00	\$ -	\$ -	\$ 300,000.00
Impact Fee %	100%	100%	100%	100%	0%	0%	100%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Heber Light & Power

Project Analysis Form

Project Name: Additional Circuits out of College to South and East

Project Driver: Growth

Priority Level: Medium

Purpose & Necessity:

The development of the North end of Heber City has necessitated additional circuits out of the College Substation.

Risk Assessment:

Insufficient capacity to serve the numerous additional customers seeking service on the North side of Heber City. This project is 100% customer driven and thus it has slipped from year to year as the development is still pending.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	8,000.00	28,000.00	35,000.00	-	-	71,000.00
Materials	-	131,000.00	322,000.00	965,000.00	-	-	1,418,000.00
Subcontractor	-	65,000.00	-	-	-	-	65,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ 204,000.00	\$ 350,000.00	\$ 1,000,000.00	\$ -	\$ -	\$ 1,554,000.00
Impact Fee %	100%	100%	100%	100%	0%	0%	100%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Heber Light & Power

Project Analysis Form

Project Name: College to Heber Circuit Network Upgrades

Project Driver: Growth

Priority Level: Medium

Purpose & Necessity:

The development of the North end of Heber City has necessitated upgrading the system between Heber Substation and the College Substation.

Risk Assessment:

Insufficient capacity to serve the numerous additional customers seeking service on the North side of Heber City. This project is 100% customer driven and thus it has slipped from year to year as the development is still pending.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	25,000.00	25,000.00	25,000.00	25,000.00	-	-	100,000.00
Materials	225,000.00	225,000.00	225,000.00	225,000.00	-	-	900,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ -	\$ -	\$ 1,000,000.00
Impact Fee %	100%	100%	100%	100%	0%	0%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Heber Light & Power

Project Analysis Form

Project Name: Tie Line 502 to 505

Project Driver: Growth

Priority Level: High

Purpose & Necessity:

This tie will provide the company with additional looped feeders for future redundant system needs.

Risk Assessment:

Without completing this tie, an outage could drive an extended outage in particular sections of the system as redundant loops would not be in place to allow for switching efforts.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	25,000.00	50,000.00	-	-	-	-	75,000.00
Materials	175,000.00	350,000.00	-	-	-	-	525,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 200,000.00	\$ 400,000.00	\$ -	\$ -	\$ -	\$ -	\$ 600,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Heber Light & Power

Project Analysis Form

Project Name: Load to Parsons (Reconductor)

Project Driver: Upgrade

Priority Level: High

Purpose & Necessity:

The feeder line that supplies energy to the Parson Gravel Pit and equipment is undersized and will need to be upgraded.

Risk Assessment:

The customer has expensive equipment that requires regular and stable voltage at higher levels to satisfy their needs. If the line voltage drops, the customer stands to experience damaged equipment increasing the risk to HLP of expensive insurance claims.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	25,000.00	-	-	-	25,000.00
Materials	-	-	175,000.00	-	-	-	175,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ 200,000.00	\$ -	\$ -	\$ -	\$ 200,000.00
Impact Fee %	0%						0%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Reconductor Heber City Main Street - 600 S - 1000 S

Project Driver: Upgrade

Priority Level: Low

Purpose & Necessity:

Growth on the south end of Heber City has began to exceed the acceptable conductor size for the existing assets. In order to continue to provide uninterrupted service along this feeder, the conductor needs to be upgraded.

Risk Assessment:

Failure of the existing assets will result in outages with a high likelihood of a prolonged outage. This project will achieve N-1 standard on this circuit. It is currently below this standard and as such the system reliability is at risk.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	25,000.00	-	-	-	25,000.00
Materials	-	-	175,000.00	-	-	-	175,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ 200,000.00	\$ -	\$ -	\$ -	\$ 200,000.00
Impact Fee %	0%	0%	0%	100%	0%	0%	100%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Midway Substation - Get Aways

Project Driver: Upgrade

Priority Level: High

Purpose & Necessity:

The current get aways from the Midway Substation are becoming undersized and aged. This project will replace the existing get aways with new, more appropriately sized conductor and other necessary equipment.

Risk Assessment:

Imminent failure due to the age and under-sized nature of the existing get aways. Outage and repair efforts will be determined by the type of failure which could be extensive.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	32,000.00	-	-	-	32,000.00
Materials	-	-	168,000.00	-	-	-	168,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ 200,000.00	\$ -	\$ -	\$ -	\$ 200,000.00
Impact Fee %	0%	0%	50%	0%	0%	0%	50%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Airport Road Rebuild and Loop

Project Driver: Growth

Priority Level: High

Purpose & Necessity:

Growth in and around the Airport Road area has reached a point in which the system is becoming undersized and therefore needs to be reconductored with a larger conductor. In addition, the growth needs a redundant feed and as such a looped line will be constructed to remove the inherent risks associated with a radial feed.

Risk Assessment:

Outages due to overloading the conductor will soon be happening and critical customers will be negatively affected by these frequent and prolonged outages.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	35,000.00	65,000.00	-	-	-	-	100,000.00
Materials	215,000.00	900,000.00	-	-	-	-	1,115,000.00
Subcontractor	-	35,000.00	-	-	-	-	35,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 250,000.00	\$ 1,000,000.00	\$ -	\$ -	\$ -	\$ -	\$ 1,250,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Heber Light & Power

Project Analysis Form

Project Name: Reconductor Jailhouse 502/503 (Old Mill Drive from 800 S to 1200 S)

Project Driver: Reliability

Priority Level: Low

Purpose & Necessity:

The current circuit engineering study has demonstrated that the stretch of Jailhouse 502/503 along Old Mill Drive from 800 South to 1200 South will be undersized after 2024. In order to remedy this issue, the circuit will need to be reconducted through this section of the line.

Risk Assessment:

Failure of the existing assets will result in outages with a high likelihood of a prolonged outage. This project will achieve N-1 standard on this circuit. It is currently below this standard and as such the system reliability is at risk.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	-	45,000.00	-	-	45,000.00
Materials	-	-	-	449,000.00	-	-	449,000.00
Subcontractor	-	-	-	256,000.00	-	-	256,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ -	\$ 750,000.00	\$ -	\$ -	\$ 750,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Heber Light & Power

Project Analysis Form

Project Name: New Circuit to Highway 32

Project Driver: Upgrade

Priority Level: High

Purpose & Necessity:

With the annexation of the North Village area, an additional circuit will need to be taken North out of the College substation until the new North Substation can be constructed and tapped off of the 138kV system.

Risk Assessment:

Without this line, the developments North cannot be energized until a new point of delivery substation is permitted and built.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	-	-	70,000.00	-	70,000.00
Materials	-	-	-	-	910,000.00	-	910,000.00
Subcontractor	-	-	-	-	20,000.00	-	20,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000.00	\$ -	\$ 1,000,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Heber Light & Power

Project Analysis Form

Project Name: Jailhouse Tap Transmission Line and East Extension

Project Driver: Upgrade

Priority Level: High

Purpose & Necessity:

An additional substation is now needed on the South/East sector of the HLP service territory. This project will be the interconnection project that will tie the new substation in with the rest of the system.

Risk Assessment:

Without this transmission line, the substation cannot be energized, thus stranding the costs of the substation.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	-	15,000.00	32,000.00	-	47,000.00
Materials	-	-	-	12,500.00	12,500.00	-	25,000.00
Subcontractor	-	-	-	972,500.00	2,855,500.00	-	3,828,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ -	\$ 1,000,000.00	\$ 2,900,000.00	\$ -	\$ 3,900,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Heber Light & Power

Project Analysis Form

Project Name: Reconductor Midway 101/102 from 4/0 to 477

Project Driver: Reliability

Priority Level: Low

Purpose & Necessity:

The current circuit engineering study has demonstrated that the Midway 101/102 circuits will be undersized after 2024. In order to remedy this issue, the circuit will need to be reconducted.

Risk Assessment:

Failure of the existing assets will result in outages with a high likelihood of a prolonged outage. This project will achieve N-1 standard on this circuit. It is currently below this standard and as such the system reliability is at risk.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	-	-	85,000.00	-	85,000.00
Materials	-	-	-	-	808,000.00	-	808,000.00
Subcontractor	-	-	-	-	45,000.00	-	45,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ -	\$ -	\$ 938,000.00	\$ -	\$ 938,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Heber Light & Power

Project Analysis Form

Project Name: Reconductor Pine Canyon Road - Midway

Project Driver: Upgrade

Priority Level: Low

Purpose & Necessity:

Growth in the vicinity of Pine Canyon Road has begun to exceed the acceptable conductor size for the existing assets. In order to continue to provide uninterrupted service along this feeder, the conductor needs to be upgraded.

Risk Assessment:

Failure of the existing assets will result in outages with a high likelihood of a prolonged outage. This project will achieve N-1 standard on this circuit. It is currently below this standard and as such the system reliability is at risk.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	-	-	-	36,000.00	36,000.00
Materials	-	-	-	-	-	214,000.00	214,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000.00	\$ 250,000.00
Impact Fee %	60%	60%	60%	60%	60%	60%	60%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,000.00</u>	<u>\$ 100,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Install Voltage Regulators at Timber Lakes Gate

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

The continual growth in the Timber Lakes Subdivision along with the relative distance from the Jailhouse substation has the voltage within the subdivision subject to irregular fluctuations. These irregularities create a power quality issue for HLP customers.

Risk Assessment:

By refusing to correct the installation issues in the Timber Lakes Subdivision, customer satisfaction will decrease. In addition, customer equipment stands the chance of being damaged thus driving up insurance claims and premiums.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	-	-	65,000.00	-	-	-	65,000.00
Materials	-	-	935,000.00	-	-	-	935,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ 1,000,000.00	\$ -	\$ -	\$ -	\$ 1,000,000.00
Impact Fee %	100%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,000,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,000,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Reconductor Cloyes 402 (600 West to Tate Lane)

Project Driver: Reliability

Priority Level: Low

Purpose & Necessity:

The current circuit engineering study has demonstrated that the stretch of Cloyes 402 from 600 West to Tate Lane will be undersized after 2024. In order to remedy this issue, the circuit will need to be reconducted through this section of the line.

Risk Assessment:

Failure of the existing assets will result in outages with a high likelihood of a prolonged outage. This project will achieve N-1 standard on this circuit. It is currently below this standard and as such the system reliability is at risk.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	-	-	-	65,000.00	65,000.00
Materials	-	-	-	-	-	1,196,000.00	1,196,000.00
Subcontractor	-	-	-	-	-	35,000.00	35,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,296,000.00	\$ 1,296,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Heber Light & Power

Project Analysis Form

Project Name: Reconductor Heber Sub to New High School

Project Driver: Reliability

Priority Level: Low

Purpose & Necessity:

The new high school adds significant load to the system. Due to this load, additional infrastructure is required to ensure adequate energy on the circuit. This project will reconductor the existing circuit between the Heber Substation and the New High School/Trade Tech School.

Risk Assessment:

Failure of the existing assets will result in outages with a high likelihood of a prolonged outage. This project will achieve N-1 standard on this circuit. It is currently below this standard and as such the system reliability is at risk.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	25,000.00	-	-	-	-	-	25,000.00
Materials	175,000.00	-	-	-	-	-	175,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 200,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000.00
Impact Fee %	75%	100%	100%	100%	100%	100%	100%
Net Amount:	<u>\$ 50,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Feeder Reliability Improvement

Project Driver: Reliability

Priority Level: Low

Purpose & Necessity:

Multiple feeders on the system at the various substations need to be upgraded to support the increased loads on the circuits. These loads have increased due to EV chargers, additional home construction, added solar panels, etc....

Risk Assessment:

Failure of the existing assets will result in outages with a high likelihood of a prolonged outage. This project will achieve N-1 standard on this circuit. It is currently below this standard and as such the system reliability is at risk.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	25,000.00	25,000.00	25,000.00	50,000.00	50,000.00	50,000.00	225,000.00
Materials	164,000.00	164,000.00	164,000.00	328,000.00	328,000.00	328,000.00	1,476,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 189,000.00	\$ 189,000.00	\$ 189,000.00	\$ 378,000.00	\$ 378,000.00	\$ 378,000.00	\$ 1,701,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	100%
Net Amount:	<u>\$ 189,000.00</u>	<u>\$ 189,000.00</u>	<u>\$ 189,000.00</u>	<u>\$ 378,000.00</u>	<u>\$ 378,000.00</u>	<u>\$ 378,000.00</u>	<u>\$ 1,701,000.00</u>



Substation

- 1) Southfields Substation
- 2) Gas Plant 2 XFMR Upgrade and Substation Rebuild
- 3) Heber Relay Upgrade
- 4) Heber Battery Replacement
- 5) Jailhouse Fence Replacement
- 6) College Relay Upgrade
- 7) Midway Substation - High Side Rebuild
- 8) Gas Plant 1 Interconnection to Heber Substation
- 9) Cloyes LTC Rebuild
- 10) Capacitor Control Replacement
- 11) North Dam Substation
- 12) Daniels Canyon Substation

Heber Light & Power

Project Analysis Form

Project Name: 2nd Point of Interconnect Substation(POI)

Project Driver: Growth

Priority Level: High

Purpose & Necessity:

Growth within the system has been steadily increasing for numerous years. The system is currently fed off of a single point of interconnect to the RMP system. This point of interconnect is fed from a radial (meaning single line) service line. In addition the transformer at the end of the radial line is quickly becoming undersized for the local load on our system. This project will provide a second interconnect substation thus reducing the loading on the existing substation transformer. Numerous engineering studies have been conducted on the system and each has drawn the conclusion that the current system will be over-capacity by 2022 at the latest.

Risk Assessment:

This point of interconnect has two significant risks associated with it; 1) risk of damage to the radial feed thus causing immediate outages to all customers, and 2) interconnect site is currently sized to be out of capacity by 2022. If the single interconnect transformer becomes overloaded, RMP will begin to remove load from the transformer which will result in regular prolonged rolling brown-outs. All customers in the system will have a daily outage lasting up to 6 hours during peak load windows.

Cash Flow Schedule:

	<u>Prior</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	161,246.15	-	-	-	-	35,000.00	196,246.15
Materials	18,391,081.10	-	-	-	-	6,965,000.00	25,356,081.10
Subcontractor	1,879,797.75	-	-	-	-	2,000,000.00	3,879,797.75
Miscellaneous	2,100,000.00	-	-	-	-	-	2,100,000.00
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 22,532,125.00	\$ -	\$ -	\$ -	\$ -	\$ 9,000,000.00	\$ 31,532,125.00
Impact Fee %	70%	70%	70%	70%	70%	100%	70%
Net Amount:	<u>\$ 6,759,637.50</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,459,637.50</u>

Heber Light & Power

Project Analysis Form

Project Name: Gas Plant 2 XFMR Upgrade and Substation Rebuild

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

The gas plant substation is no longer sufficient to support the engines being installed in gas plant 2.

Furthermore the transformer for gas plant 2 is very old and undersized. This project will bring much needed safety enhancements to the substation site, increase efficiency of the station, and improve the load carrying capacity of the plants together.

Risk Assessment:

Prolonged generation outages of critical peaking units will expose the company to increased market volatility risks.

Cash Flow Schedule:

	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>Overall</u>
Internal Labor	100,000.00	-	-	-	-	-	100,000.00
Materials	3,720,000.00	-	-	-	-	-	3,720,000.00
Subcontractor	1,900,000.00	-	-	-	-	-	1,900,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 5,720,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,720,000.00
Impact Fee %							0%
Net Amount:	<u>\$ 5,720,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,720,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Heber Relay Upgrade

Project Driver: Replacement

Priority Level: Medium

Purpose & Necessity:

The equipment in the substations and generation plants are controlled by a computer like device called a relay. These relays have a potential to fail without notice and have no real preventative maintenance options. The relays in the Heber Substation are an older version no longer supported after 2024.

Risk Assessment:

Without the upgrade of these relays, the Heber Substation will not be properly monitored and controlled by the Dispatch department. Lack of proper monitoring and supervisory control creates serious risk to life and equipment.

Cash Flow Schedule:

	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>Overall</u>
Internal Labor	5,000.00	5,000.00	-	-	-	-	10,000.00
Materials	25,000.00	30,000.00	-	-	-	-	55,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 30,000.00	\$ 35,000.00	\$ -	\$ -	\$ -	\$ -	\$ 65,000.00
Impact Fee %							0%
Net Amount:	<u>\$ 30,000.00</u>	<u>\$ 35,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Heber Battery Upgrade

Project Driver: Replacement

Priority Level: Medium

Purpose & Necessity:

The equipment in the substations and generation plants are all backed up by a battery system in the event of an electrical failure on the grid, the equipment can still operate. These battery's have a defined life and periodically need to be replaced. The battery's in the Heber Substation are old and now need to be replaced.

Risk Assessment:

Without the upgrade of these battery's, the Heber Substation will not be properly backed up on critical equipment during an outage.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	1,500.00	-	-	-	-	-	1,500.00
Materials	5,500.00	-	-	-	-	-	5,500.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 7,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,000.00
Impact Fee %							0%
Net Amount:	<u>\$ 7,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Jailhouse Fence Replacement

Project Driver: Replacement

Priority Level: Low

Purpose & Necessity:

The jailhouse substation currently has a chain-link fence that prohibits unauthorized access. This fence is subject to high winds and regularly requires maintenance and occasional replacement of portions. A new fence more suited to handling the wind and other environmental factors while meeting the security and operational needs would be installed as part of this project. The current fence is 790 linear feet long. The road access from IHC location will be added in 2028.

Risk Assessment:

The company will continue to spend OMAG dollars on maintaining a fence that is truly not the correct type of fence for the designed purpose. With inadequate security as a result of this fence, the company has an increased risk of liability for injury or life lost. Furthermore risk exists that critical infrastructure might be damaged leading to extended outages affecting customers.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	-	10,000.00	40,000.00	-	-	-	50,000.00
Materials	-	-	-	-	-	-	-
Subcontractor	-	40,000.00	310,000.00	-	-	-	350,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ 50,000.00	\$ 350,000.00	\$ -	\$ -	\$ -	\$ 400,000.00
Impact Fee %							0%
Net Amount:	<u>\$ -</u>	<u>\$ 50,000.00</u>	<u>\$ 350,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 400,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: College Relay Upgrade

Project Driver: Replacement

Priority Level: Medium

Purpose & Necessity:

The equipment in the substations and generation plants are controlled by a computer like device called a relay. These relays have a potential to fail without notice and have no real preventative maintenance options. The relays in the College Substation are an older version no longer supported after 2024.

Risk Assessment:

Without the upgrade of these relays, the College Substation will not be properly monitored and controlled by the Dispatch department. Lack of proper monitoring and supervisory control creates serious risk to life and equipment.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	5,000.00	-	-	-	5,000.00
Materials	-	-	43,000.00	-	-	-	43,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ 48,000.00	\$ -	\$ -	\$ -	\$ 48,000.00
Impact Fee %							0%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Midway Substation - High Side Rebuild & 138 kV Conversion

Project Driver: Growth

Priority Level: Low

Purpose & Necessity:

The Midway Substation has slowly taken on more load until it has reached its capacity on the high-side of the transformer. It is estimated that by 2027 the high-side will need to be rebuilt to serve the loads being placed on the transformer.

2026 - Design Engineering / Land & Easement Acquisition

2027 - Construction

Risk Assessment:

The high side of the transformer is the side receiving energy from the grid. If the feed to the transformer is compromised, a prolonged outage will be experienced on the substation thus affecting all of the circuits.

Cash Flow Schedule:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Overall</u>
Internal Labor	-	-	10,000.00	15,000.00	-	-	25,000.00
Materials	-	-	-	2,536,000.00	-	-	2,536,000.00
Subcontractor	-	-	2,390,000.00	449,000.00	-	-	2,839,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ 2,400,000.00	\$ 3,000,000.00	\$ -	\$ -	\$ 5,400,000.00
Impact Fee %	90%	90%	90%	90%	90%	90%	90%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 240,000.00</u>	<u>\$ 300,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 540,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Gas Plant 1 Interconnect

Project Driver: Growth

Priority Level: Low

Purpose & Necessity:

In order to connect the new gas plant 1 to the grid, a new breaker position will need to be installed in the Heber Substation as well as the conductors ran from the new plant to the substation. Engineering and design work to be completed in 2025, with construction in 2027.

Risk Assessment:

A new position at the Heber Substation will need to be created or else the new power plant replacing plant 1 will not be able to connect to the grid.

Cash Flow Schedule:

	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>Overall</u>
Internal Labor	15,000.00	25,000.00	-	-	-	-	40,000.00
Materials	-	350,000.00	-	-	-	-	350,000.00
Subcontractor	185,000.00	125,000.00	-	-	-	-	310,000.00
Miscellaneous (CIAC) Reim	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Subtotal:	\$ 200,000.00	\$ 500,000.00	\$ -	\$ -	\$ -	\$ -	\$ 700,000.00
Impact Fee %							0%
Net Amount:	<u>\$ 200,000.00</u>	<u>\$ 500,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 700,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Cloyes LTC Rebuild

Project Driver: Reliability

Priority Level: Low

Purpose & Necessity:

The Load Tap Changer (LTC) in a transformer allows automatic adjustment of voltage regulation. The Cloyes LTC needs to be rebuilt due to age and wear.

Risk Assessment:

Automatic voltage regulation of the transformer will fail during different loading scenarios. This will ultimately result in an outage so as to protect the assets.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	-	-	-	-	-	8,000.00	8,000.00
Materials	-	-	-	-	-	32,000.00	32,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000.00	\$ 40,000.00
Impact Fee %							0%
Net Amount:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,000.00</u>	<u>\$ 40,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: Capacitor Control Replacement

Project Driver: Reliability

Priority Level: Low

Purpose & Necessity:

The controller that operates the capacitor bank when needed is reaching end of life and as such needs to be upgraded. This project will address the replacement of this aged infrastructure.

Risk Assessment:

Without upgrading the capacitor controller the system is at risk of having a loss of voltage control.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	2,000.00	-	-	-	-	-	2,000.00
Materials	10,000.00	-	-	-	-	-	10,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 12,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,000.00
Impact Fee %							0%
Net Amount:	<u>\$ 12,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: North Dam Substation

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

The annexation by Heber City has presented a need for a new point of delivery substation on the Northeast part of the system. A direct tap off of the PacifiCorp 138kV system will be required to serve the loads brought on by the large development that is being planned for that area. Other projects in this capital plan are being undertaken to connect the early development stages of this master plan but the ultimate need for energy in this area will require a new point of interconnect.

Risk Assessment:

Without this substation, HLP will be unable to serve the proposed 6,500 units for this area.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	-	-	150,000.00	150,000.00	-	-	300,000.00
Materials	-	-	2,500,000.00	5,000,000.00	-	-	7,500,000.00
Subcontractor	-	-	2,350,000.00	4,850,000.00	-	-	7,200,000.00
Miscellaneous	2,850,000.00	-	-	-	-	-	2,850,000.00
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 2,850,000.00	\$ -	\$ 5,000,000.00	\$ 10,000,000.00	\$ -	\$ -	\$ 17,850,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Heber Light & Power

Project Analysis Form

Project Name: Daniels Canyon Substation

Project Driver: Growth

Priority Level: Medium

Purpose & Necessity:

Due to the regular growth and the planned development on the East side of the valley, additional capacity will be required by 2030. This project will include the siting, permitting, design, and construction of a new system load substation.

2022: Land Purchase

2026-2028: Substation Build

Risk Assessment:

Lack of substation capacity in the Lake Creek area will put the system at risk of overloaded circuits and existing equipment ultimately leading to rolling brown outs across the valley.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	-	-	-	-	50,000.00	22,000.00	72,000.00
Materials	-	-	-	-	5,000,000.00	500,000.00	5,500,000.00
Subcontractor	-	-	3,500,000.00	2,228,000.00	722,000.00	2,250,000.00	8,700,000.00
Miscellaneous	500,000.00	1,000,000.00	-	-	-	-	1,500,000.00
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 500,000.00	\$ 1,000,000.00	\$ 3,500,000.00	\$ 2,228,000.00	\$ 5,772,000.00	\$ 2,772,000.00	\$ 15,772,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Information Technology

- 1) IT Upgrades
- 2) OT Upgrades
- 3) Smart Grid Investment
- 4) AMI Tower - North Village

Heber Light & Power

Project Analysis Form

Project Name: 2026 Capital Improvements - IT

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

The following collective list of minor capital assets are various technology components that will be purchased over 2026 for installation:

- Computer Replacement Program... \$85,000

Risk Assessment:

These assets help HL&P to safely manage and maintain the system and each component carries its own risk if failure to secure said item happens.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	11,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	61,000.00
Materials	75,000.00	75,000.00	75,000.00	75,000.00	75,000.00	75,000.00	450,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 86,000.00	\$ 85,000.00	\$ 85,000.00	\$ 85,000.00	\$ 85,000.00	\$ 85,000.00	\$ 511,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 86,000.00</u>	<u>\$ 85,000.00</u>	<u>\$ 85,000.00</u>	<u>\$ 85,000.00</u>	<u>\$85,000.00</u>	<u>\$85,000.00</u>	<u>\$ 511,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: 2026 Capital Improvements - OT

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

Different operation technology is needed from time to time. This is a blanket amount to ensure that some level of funding is available in the event a piece of equipment or an upgrade to software is required during the year.

Risk Assessment:

These assets help HL&P to safely manage and maintain the system and each component carries its own risk if failure to secure said item happens.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	36,000.00
Materials	24,000.00	24,000.00	24,000.00	24,000.00	24,000.00	24,000.00	144,000.00
Subcontractor	150,000.00	150,000.00	150,000.00	270,000.00	-	-	720,000.00
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 180,000.00	\$ 180,000.00	\$ 180,000.00	\$ 300,000.00	\$ 30,000.00	\$ 30,000.00	\$ 900,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 180,000.00</u>	<u>\$ 180,000.00</u>	<u>\$ 180,000.00</u>	<u>\$ 300,000.00</u>	<u>\$ 30,000.00</u>	<u>\$ 30,000.00</u>	<u>\$ 900,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: 2026 Smart Grid Investment

Project Driver: Growth

Priority Level: Medium

Purpose & Necessity:

Electrical utilities are connected to a grid of assets established to transfer and supply energy where needed. Technological advances continue to make additional control features available in an automated format. These automated features are otherwise known as Smart Grid. For the foreseeable future, HLP anticipates needing funds to implement these annual Smart Grid adjustments in order to appropriately serve our customers' needs.

Risk Assessment:

The grid technology is advancing so quickly that without concentrated effort on the incorporation of these changes, HLP will be operating in a risk scenario or will ultimately require a significant grid upgrade investment later.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	12,000.00
Materials	8,000.00	8,000.00	8,000.00	8,000.00	8,000.00	8,000.00	48,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 60,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 10,000.00</u>	<u>\$ 10,000.00</u>	<u>\$ 10,000.00</u>	<u>\$ 10,000.00</u>	<u>\$ 10,000.00</u>	<u>\$ 10,000.00</u>	<u>\$ 60,000.00</u>

Heber Light & Power

Project Analysis Form

Project Name: AMI North Tower

Project Driver: Growth

Priority Level: High

Purpose & Necessity:

The recent annexation plan approval by Heber City Corporation has also expanded the potential customer territory for Heber Light & Power. As developers begin to establish buildable lots within this annexed area, HLP will begin to deploy meters for the collection and relay of usage data. In order to have these meters communicate the data, a new AMI tower will need to be erected with the appropriate equipment. In conducting the meter study, Sensus has communicated that two additional towers will be required on the system in 2025.

Risk Assessment:

Without installing this critical antenna, HLP will not be able to read the meter data within the newly annexed service territory.

Cash Flow Schedule:

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Overall</u>
Internal Labor	-	10,000.00	10,000.00	-	-	-	20,000.00
Materials	-	60,000.00	60,000.00	-	-	-	120,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ -	\$ 70,000.00	\$ 70,000.00	\$ -	\$ -	\$ -	\$ 140,000.00
Impact Fee %	100%	100%	100%	100%	100%	100%	100%
Net Amount:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Tools / Equipment

- 1) 2026 Annual Program

Draft - Public Hearing Copy

Heber Light & Power

Project Analysis Form

Project Name: 2026 Capital Improvements - Tools

Project Driver: Replacement

Priority Level: Medium

Purpose & Necessity:

The following collective list of tools are planned to be purchased over 2026:

-Facilities

- Tech Services Door (80)
- Forklift & Shelving (200)

- Distribution

- Single Reel Trailer (165)
- F-550 Spool Bed (40)
- New GPS/Safety Harness, etc... (150)

- Generation

- Borescope (50)
- Shop Oil Vac (8)
- Various (Seal remover, storage, etc...) (53)

- Fleet

- Additional required tooling (100)

Risk Assessment:

These tools are required in order to keep the various crews working efficiently and safely.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	-	-	-	-	-	-	-
Materials	846,000.00	280,000.00	60,000.00	25,000.00	25,000.00	25,000.00	1,261,000.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 846,000.00	\$ 280,000.00	\$ 60,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 1,261,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u>\$ 846,000.00</u>	<u>\$ 280,000.00</u>	<u>\$ 60,000.00</u>	<u>\$ 25,000.00</u>	<u>\$ 25,000.00</u>	<u>\$ 25,000.00</u>	<u>\$ 1,261,000.00</u>



Vehicles

- 1) 2026 Annual Program

Draft - Public Hearing Copy

Heber Light & Power

Project Analysis Form

Project Name: 2026 Capital Improvements - Vehicles

Project Driver: Replacement

Priority Level: Medium

Purpose & Necessity:

The following vehicles are planned to be purchased in 2026:

- One (1) 5500 Series Bucket Trucks (\$65,000)
- Two(2) 1500 Light-Duty Fleet Trucks (\$100,000)
- One (1) Service Truck (\$760,000)

Risk Assessment:

These vehicles are deemed necessary to adequately service the territory. These vehicle purchases are meant to replace existing vehicles that have reached their useful life based upon company policy.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	-	-	-	-	-	-	-
Materials	-	-	-	-	-	-	-
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	925,000.00	400,000.00	1,665,000.00	175,000.00	600,000.00	675,000.00	4,440,000.00
(CIAC) Reim	-	-	-	-	-	-	-
Subtotal:	\$ 925,000.00	\$ 400,000.00	\$ 1,665,000.00	\$ 175,000.00	\$ 600,000.00	\$ 675,000.00	\$ 4,440,000.00
Impact Fee %	0%	0%	0%	0%	0%	0%	0%
Net Amount:	<u><u>\$ 925,000.00</u></u>	<u><u>\$ 400,000.00</u></u>	<u><u>\$ 1,665,000.00</u></u>	<u><u>\$ 175,000.00</u></u>	<u><u>\$ 600,000.00</u></u>	<u><u>\$ 675,000.00</u></u>	<u><u>\$ 4,440,000.00</u></u>



Metering

- 1) 2026 Metering Installs

Draft - Public Hearing Copy

Heber Light & Power

Project Analysis Form

Project Name: 2026 Capital Improvements - Metering

Project Driver: Growth

Priority Level: Medium

Purpose & Necessity:

The following collective list of minor capital assets are various metering components that will be purchased over 2026 for installation:

Generation 4 CL 200 Meters ... \$90,600	Current Transformers Bar Type 100:5..... \$2,300
CL320 Meters \$4,600	Current Transformers Bar Type 200:5..... \$2,500
3S 120 Volt Meters \$300	Current Transformers Bar Type 300:5 \$800
3S 240 Volt Meters \$300	Current Transformers Window Type 200:5 ... \$100
16S Meters \$5,800	Current Transformers Window Type 300:5 ... \$500
9S Meters \$3,900	Current Transformers Window Type 400:5 ... \$500
Test Switches Single Phase \$200	Current Transformers Window Type 600:5 ... \$400
Test Switches Three Phase \$1,600	

Risk Assessment:

New meters are typically required to meet the new connections demand. The only risk that is involved in the purchase of these metering components is the cash flow risk as these items are purchased and stored in advance of the collection of the impact fee from the customer.

Cash Flow Schedule:

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>Overall</u>
Internal Labor	-	-	-	-	-	-	-
Materials	114,400.00	-	-	-	-	-	114,400.00
Subcontractor	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
(CIAC) Reim	(96,096.00)	-	-	-	-	-	(96,096.00)
Subtotal:	\$ 18,304.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,304.00
Impact Fee %	0%						
Net Amount:	<u>\$ 18,304.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,304.00</u>