

**FIRST AMENDED AND RESTATED
INTERLOCAL AGREEMENT
BETWEEN THE
CLARK COUNTY WATER RECLAMATION DISTRICT
AND THE SOUTHERN NEVADA WATER AUTHORITY**

This First Amended and Restated Interlocal Agreement (“Agreement”) is by and between the CLARK COUNTY WATER RECLAMATION DISTRICT, a General Improvement District created pursuant to the provisions of Chapter 318 of NRS, (“DISTRICT”) and the SOUTHERN NEVADA WATER AUTHORITY, a political subdivision of the State of Nevada (“AUTHORITY”) (individually, a “Party” and, collectively, the “Parties”).

RECITALS

A. The DISTRICT, a member agency of the AUTHORITY, requires a reliable supply of power for DISTRICT operations in Clark County, Nevada;

B. The AUTHORITY has entered into an Agreement with the CRC pursuant to NRS 704.787 under which the AUTHORITY provides power to its Participating Agencies;

C. The DISTRICT is desirous of having the AUTHORITY supply a portion of its energy needs for water and wastewater operations by acting as agent for the DISTRICT;

D. The AUTHORITY has agreed, pursuant to the Second Amended Power Supply Agreement, to guarantee, on behalf of the DISTRICT, payment for Power Supply Assets, Transmission Assets, and Energy Management Services which are provided to the DISTRICT;

E. The DISTRICT is willing and able to guarantee payment to the

AUTHORITY for Power Supply Assets, Transmission Assets, and Energy Management Services which are provided to the DISTRICT;

F. Under a certain contract for the sale and delivery of electric service from the Boulder Canyon Project between the DISTRICT and CRC, as amended or supplemented (the “Hoover Contract”), the DISTRICT receives allocations of hydroelectric power derived from Hoover Dam under Schedule A and Schedule D of the Hoover Power Allocation Act of 2011 HPAA, 43 U.S.C. §§ 619 *et seq.*;

G. The hydroelectric power derived from the Hoover Dam meets the definition of “renewable energy” in NRS 704.7811, Hoover Dam is a “renewable energy system” under NRS 704.7815, Hoover Dam hydroelectric power is a “portfolio energy system” under NRS 704.7804, and the attributes of that hydroelectric power can be used to satisfy a provider of electric service’s portfolio standard under NRS 704.7821;

H. Under section 13.1 of the Hoover Contract, the DISTRICT has the right to use any Renewable Energy Attributes associated with the DISTRICT’s allocations under the Hoover Contract, therein defined and referred to as “Environmental Attributes,” for compliance with any environmental laws, regulations or standards applicable to the DISTRICT, provided that any sale, transfer or award of those attributes shall be subject to approval by the CRC;

I. The DISTRICT and the AUTHORITY previously entered into that certain Interlocal Agreement, effective September 15, 2011, for the AUTHORITY to supply a portion of the energy needs for DISTRICT water and wastewater operations (the “2011 Agreement”);

J. NRS 704.78253 requires a provider of electric service subject to NRS 704.787 to submit an annual report that contains the information described in NRS 704.7825.4 to

the Director of the Office of Energy; NRS 704.7826 provides: “Notwithstanding any provision of law to the contrary, a provider of electric service that is subject to NRS 704.787 is not subject to the jurisdiction of the Commission”;

K. Because the AUTHORITY is a “provider of electric service” (defined in NRS 704.7808) and provides power in accordance with NRS 704.787, the Parties believe that the AUTHORITY must submit the annual report required by NRS 704.78253;

L. The Parties also believe that, as a result of NRS 704.7826, the AUTHORITY shall not be subject to the enforcement provisions of the portfolio standard that NRS 704.7821 requires the Public Utilities Commission of Nevada (the “Commission”) to establish, but the Parties want the AUTHORITY to meet the portfolio standard in relation to the power it delivers or causes to be delivered to the DISTRICT under this Agreement;

M. The DISTRICT may acquire or otherwise have the right to Renewable Energy Attributes that can be used to satisfy the portfolio standard in NRS 704.7821;

N. The Parties further believe it would be mutually beneficial to expand the Power Supply Assets, Transmission Assets and Energy Management Services to accommodate long term power supply transactions to serve the power needs of the DISTRICT; and

O. The Parties wish to amend and restate the 2011 Agreement to incorporate NRS 704.7821 and to expand the Power Supply Assets, Transmission Assets and Energy Management Services to accommodate long-term power supply transactions to serve the power needs of the DISTRICT and for other purposes.

NOW THEREFORE, in consideration for the mutual covenants contained herein, the Parties hereto agree as follows:

1. INCORPORATION OF RECITALS

1.1 The foregoing recitals are incorporated herein.

2. AMENDMENT AND RESTATEMENT; EFFECTIVE DATE

2.1 The 2011 Agreement is hereby amended and restated in its entirety by this Agreement.

2.2 This Agreement shall be effective on the date it has been executed by both Parties, as reflected on the signature page below.

3. DEFINITIONS

As used in this Agreement, unless the context otherwise requires a different meaning:

3.1 "**Ancillary Services**" means those services that are necessary to support the transmission and distribution of energy to electrical loads while maintaining the reliable, secure and safe operation of the transmission and distribution system. Such services may include, without limitation, frequency and voltage regulation, regulation and frequency response, operating reserve-spinning, operating reserve-supplemental, scheduling, system control, dispatch, automatic generation control, governor control, load shedding, rapid generating unit loading, reactive power, reactive supply and voltage control from generation sources, rapid generating unit unloading, system restart, energy imbalance, generation imbalance, or banked energy.

3.2 "**CRC**" means the Colorado River Commission of Nevada, an agency of the State of Nevada created pursuant to NRS 538.041 *et seq.*

3.3 "**Electric Power Supply Plan**" means the Electric Power Supply Plan created by the CRC and the AUTHORITY pursuant to the Second Amended Power Supply Agreement.

3.4 **"Energy Management Services"** means Ancillary Services and the scheduling, delivery, dispatch, marketing, hedging and financial management of and billing for Power Supply Assets, Facility Assets and Transmission Assets.

3.5 **"Exhibit A Power Supply Assets"** means the Power Supply Assets identified in Exhibit A.

3.6 **"Energy Risk Management Policy"** means the Southern Nevada Water Authority Energy Risk Management Policy attached as Exhibit A to the Second Amended Power Supply Agreement and any subsequent modifications to that policy adopted by the AUTHORITY.

3.7 **"NRS"** means the Nevada Revised Statutes, as amended.

3.8 **"Participating Agency"** has the meaning ascribed to the term "Participating Agency" in the Second Amended Power Supply Agreement and identified as the signatory to this Agreement.

3.9 **"Power Supply Assets"** means electrical generation and all power or rights to power sold by the AUTHORITY, owned, controlled or purchased for the benefit of the DISTRICT whether taken or delivered in the name of the DISTRICT or in the name of the AUTHORITY, including without limitation those listed in Exhibit A.

3.10 **"Renewable Energy"** has the meaning ascribed to the term "renewable energy" in NRS 704.7811.

3.11 **"Renewable Energy Attributes" or "REAs"** means any Renewable Energy attributes associated with power, including those associated with the power derived from the Hoover Dam that the DISTRICT receives under the Hoover Contract and defined in section 5.27 therein as "Environmental Attributes."

3.12 **“Renewable Portfolio Standard Goal”** means the portfolio standard in NRS Chapter 704, even though the AUTHORITY is not subject to any enforcement authority for failure to meet the portfolio standard under applicable Nevada law, in relation to the power it delivers or causes to be delivered to the DISTRICT under this Agreement or to another Participating Agency in connection with the Second Amended Power Supply Agreement.

3.13 **“Risk Control Committee”** means the committee comprised of staff members of the AUTHORITY, the CRC, and any member agency that is receiving electrical service from the AUTHORITY, that are responsible for the oversight and effective management of the AUTHORITY's energy supply program.

3.14 **“Second Amended Power Supply Agreement”** means the Second Amended and Restated Electric Power Supply Agreement between the CRC and the AUTHORITY effective February 5, 2013, as amended.

3.15 **“Transmission Assets”** means transmission, distribution, and related infrastructure that is sold purchased, owned, controlled or used by the AUTHORITY for the benefit of the DISTRICT, whether done so in the name of the DISTRICT or in the name of the AUTHORITY.

4. POWER SUPPLY ASSETS AND TRANSMISSION ASSETS

4.1 Nothing in this Agreement shall preclude the DISTRICT or the AUTHORITY from owning, controlling, acquiring, selling or constructing Power Supply Assets or Transmission Assets.

4.2 Unless otherwise instructed by the DISTRICT (which instruction shall comply with the requirements set forth in Exhibit A with respect to Exhibit A Power Supply Assets), the AUTHORITY shall have the right to use Power Supply Assets and Transmission

Assets to provide power to the DISTRICT and, in compliance with Section 5.9, to use the Renewable Energy Attributes to meet the Renewable Portfolio Standard Goal.

5. AUTHORITY RESPONSIBILITIES

5.1 The AUTHORITY shall be responsible for supplying a portion of the power supply needs of the DISTRICT, which may be provided using Power Supply Assets, Transmission Assets, and Energy Management Services.

5.2 The AUTHORITY shall provide sufficient Power Supply Assets to meet the electrical needs of the DISTRICT by transacting in the forward power markets or through the bilateral transactions or participation in generation projects identified on Exhibit A (“Exhibit A Power Supply Assets”), either in the AUTHORITY’s name, or through its contractual arrangements with the CRC. The Parties agree that (i) each Exhibit A Power Supply Asset shall be subject to the additional terms set forth for such asset in Exhibit A, which are incorporated into this Agreement for all purposes as if set forth herein, (ii) Power Supply Assets and associated terms shall only be added or removed from Exhibit A by mutual agreement of the Parties and an amendment of this Agreement, and (iii) in the event of any conflict between Exhibit A and this Agreement, the terms set forth in Exhibit A shall control.

5.3 The Risk Control Committee shall determine the timeframe during which forward power supplies shall be procured. Notwithstanding the foregoing, with respect to Exhibit A Power Supply Assets, the Parties acknowledge that (i) the DISTRICT and the AUTHORITY have determined that Exhibit A Power Supply Assets provide beneficial long term power supply for the DISTRICT, (ii) the DISTRICT guarantees

payment of its Exhibit A Power Supply Assets and is entitled to the output of such asset and (iii) the AUTHORITY shall utilize output from Exhibit A Power Supply Assets along with other power supplies in a manner designed to provide the DISTRICT with power supply at a reasonable cost, taking into consideration obligations to receive the output, price and other terms set out in Exhibit A and the agreement(s) or transactions(s) referenced therein.

5.4 The AUTHORITY shall use its best efforts as agent for the DISTRICT to purchase and sell any Power Supply Assets or Transmission Assets, or portion thereof, to the extent such Power Supply Assets or Transmission Assets are deficient or may be or become surplus to the needs of the DISTRICT. The proceeds from any sale of Power Supply Assets or Transmission Assets on behalf of the DISTRICT must be used to offset the costs charged to the DISTRICT.

5.5 The AUTHORITY shall provide financial accounting, recordkeeping, budgeting and billing for the portion of the Power Supply Assets, Transmission Assets, and Energy Management Services which are provided for the DISTRICT pursuant to this Agreement.

5.6 The AUTHORITY shall, on an annual basis, provide the DISTRICT with a five-year budget for Power Supply Assets, Transmission Assets and Energy Management Services.

5.7 The AUTHORITY shall guarantee, on behalf of the DISTRICT, payment for Power Supply Assets, Transmission Assets, and Energy Management Services which are provided by the AUTHORITY on behalf of the DISTRICT.

5.8 The AUTHORITY shall supply Power Supply Assets, Transmission

Assets and Energy Management Services other than Exhibit A Power Supply Assets to the DISTRICT pursuant to the Energy Risk Management Policy. The AUTHORITY shall utilize Exhibit A Power Supply Assets as provided in this Agreement.

5.9 To the extent the power that the AUTHORITY supplies, or causes to be supplied, to the DISTRICT under this Agreement contributes to the Renewable Portfolio Standard Goal (the “DISTRICT Goal”), then to meet that goal the AUTHORITY shall use (a) the REAs the DISTRICT owns, has generated, controls, has acquired or has a right to, as applicable, unless otherwise instructed by the DISTRICT, (the “DISTRICT REAs”); and (b) the REAs acquired and/or associated with any other power that the AUTHORITY supplies, or causes to be supplied, to the DISTRICT under this Agreement (the “REAs Acquired”). If the AUTHORITY uses any DISTRICT REAs to satisfy the Renewable Portfolio Standard Goal, then, to the extent formal registration pursuant to regulations adopted by the Commission is not required, the DISTRICT shall be deemed to have automatically assigned and transferred those DISTRICT REAs to the AUTHORITY, the AUTHORITY will use them to satisfy the DISTRICT Goal and the AUTHORITY will use them for that year’s reporting requirement. Any other DISTRICT REAs that require such formal registration in order for the AUTHORITY to use them to satisfy the balance of the Renewable Portfolio Standard Goal must be transferred to the AUTHORITY in accordance with any applicable regulations adopted by the Commission in order to be utilized. If, after applying the DISTRICT REAs and REAs Acquired to satisfy the DISTRICT Goal, there is a surplus of these REAs, then the AUTHORITY shall use that surplus to help satisfy the balance of the Renewable Portfolio Standard Goal (the “Surplus”). If, after applying the DISTRICT REAs

and REAs Acquired to satisfy the DISTRICT Goal, there is a deficit of these REAs, then the AUTHORITY shall use any REA surplus(es) from other Participating Agencies to help satisfy the DISTRICT Goal (the “Deficit”).

By December 31st each year, the AUTHORITY shall establish at its sole determination a price for the Renewable Energy Attributes for the current calendar year for such attributes being used by the AUTHORITY for that year’s reporting requirement, including the DISTRICT REAs and REAs Acquired, (the “Annual Value”). Any actual revenues received or expenses incurred by the AUTHORITY due to purchases or sales of Renewable Energy Attributes with entities other than Participating Agencies will be credited or debited to the DISTRICT in proportion to the DISTRICT’s contribution to the Renewable Portfolio Standard Goal’s surplus or deficit after the DISTRICT REAs and REAs Acquired are credited to the DISTRICT. Yearly by July 31, the AUTHORITY shall provide the DISTRICT (a) a credit to the DISTRICT’s account for the preceding year’s Surplus multiplied by the preceding year’s Annual Value and (b) a debit to the DISTRICT’s account for the preceding year’s Deficit multiplied by the preceding year’s Annual Value.

Yearly by July 31, the AUTHORITY shall present to the Risk Control Committee, and provide the DISTRICT with, an accounting of how all REAs were allocated, credited and charged in the prior year.

Notwithstanding the foregoing, any treatment of REAs acquired with respect to Exhibit A Power Supply Assets shall be treated in accordance with the terms set forth for such asset in Exhibit A.

6. DISTRICT RESPONSIBILITIES

6.1 The DISTRICT expressly acknowledges that the AUTHORITY will be supplying Power Supply Assets from forward market transactions and Exhibit A Power Supply Assets. The DISTRICT shall guarantee payment to the AUTHORITY for all Power Supply Assets, Transmission Assets, and Energy Management Services which are procured for the DISTRICT by the AUTHORITY.

6.2 The DISTRICT shall designate one representative to participate on the Risk Control Committee.

6.3 The DISTRICT shall provide the AUTHORITY with an irrevocable letter of credit, or some other form of collateral that is mutually acceptable to the Parties, in the amount of \$6,000,000, which the AUTHORITY may draw upon in the event of a payment default. If the DISTRICT provides the AUTHORITY with an irrevocable letter of credit, the form of the letter of credit must be acceptable to the AUTHORITY. Should the AUTHORITY determine that an increase in the amount of collateral is necessary, the DISTRICT will provide the required increase within 45 days of the written request by the AUTHORITY or the AUTHORITY may take additional protective measures including liquidating energy contracts entered into on behalf of the DISTRICT.

6.4 The DISTRICT shall timely provide the AUTHORITY the forecast and planning information necessary for the AUTHORITY and the CRC to jointly prepare and produce an Electric Power Supply Plan as provided for in the Second Amended Power Supply Agreement.

6.5 The DISTRICT shall cooperate in assisting the AUTHORITY so that

the AUTHORITY can generally act as its agent with the CRC relative to the Second Amended Power Supply Agreement.

7. INDEMNIFICATION

Except to the extent limited under NRS Chapter 41 or any applicable law, a Party (the "Indemnifying Party") shall indemnify, defend and hold harmless the other Party, and each of its officials and employees (each an "Indemnified Party") from and against any and all claims, demands, suits, obligations, payments, liabilities, costs, fines, penalties, sanctions, judgments, damages, losses or expenses, including attorneys' fees and court or arbitration costs and fees, (each, a "Loss") asserted by third parties against an Indemnified Party and arising out of, relating to, or resulting from the Indemnifying Party's breach of, or the performance or non-performance of its obligations under this Agreement; provided, however, that no Party shall be indemnified hereunder for any Loss resulting from its gross negligence, fraud or willful misconduct. A Party will assert all defenses available under applicable law, including the immunities provided under NRS Chapter 41.

8. NO THIRD-PARTY RIGHTS

This Agreement shall not to be deemed for the benefit of any entity or person who is not a Party and does not create any rights, benefits or causes of action for any other person, entity or member of the general public. For avoidance of doubt, this Agreement shall not be deemed to be for the benefit of, and does not create any rights, benefits or causes of action for, any entity or person who is party to an agreement or participates in a Power Supply Asset set forth in Exhibit A and is not a Party to this Agreement.

9. SEVERABILITY

If any provision of this Agreement is held to be invalid or unenforceable,

the remaining provisions of this Agreement shall remain valid and binding on the Parties. Any invalid or unenforceable provision will be deemed severed from this Agreement, and the balance of this Agreement will be construed and enforced as if it did not contain the particular invalid or unenforceable provision. The Parties further agree to amend this Agreement to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision.

10. FORCE MAJEURE

The respective duties and obligations of the Parties hereunder (except the obligation of a Party to honor an indemnity obligation or to pay or provide a credit for such sums as may become due from time to time under this Agreement) shall be suspended while and so long as performance thereto is prevented, delayed or impeded by strikes, labor disputes, civil insurrection, riots, fire, flood, storm, governmental orders, war, acts of God, weather, acts of vandalism, public disobedience or any other similar cause which is beyond the reasonable control of the Party from whom the affected performance was due (the "Affected Party"); provided, however, that (a) if such an event occurs or is anticipated, the Affected Party must promptly notify the other Party in writing and in that notice describe the event, explain how it impacts performance and provide an estimate of the duration of the event, (b) both Parties must seek to shorten, avoid and mitigate the effects of any such event and (c) the Affected Party must promptly notify the other Party in writing when the event has ended and promptly resume performance.

11. TERMINATION

The AUTHORITY or the DISTRICT may terminate this Agreement by action of its governing body provided that the terminating Party provides at least -30 days

written notice of its proposed action to terminate the Agreement to the other Party. The effective date of the termination will be 90 days after the date on which the terminating Party's governing board approves the termination; provided, however, with respect to any Exhibit A Power Supply Asset, the effective date of the termination will be the date on which the Exhibit A Power Supply Asset is terminated or retired, as applicable; and provided further that, with respect to any Exhibit A Power Supply Asset, recognizing that it may be impossible to financially liquidate purchase obligations set out therein, the effective date of the termination of this Agreement will be the effective date on which the DISTRICT and AUTHORITY commence a replacement stand-alone bilateral transaction for each Exhibit A Power Supply Asset. Within 30 days of written notice to terminate this Agreement, the AUTHORITY will provide commercial terms for such replacement transaction. With respect to any liability of the AUTHORITY with respect to an Exhibit A Power Supply Asset that survives termination of the agreement or transaction listed in Exhibit A, the DISTRICT's obligations to the AUTHORITY for such liability shall also survive termination of this Agreement.

With respect to any liability for the AUTHORITY with respect to the asset that survives termination or retirement of the asset and that is guaranteed by the DISTRICT, the DISTRICT's obligations to the AUTHORITY for such liability shall also survive termination of this Agreement.

12. NOTICES

All notices, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given: (a) when delivered, if personally delivered; (b) upon receipt during the receiving Party's normal business hours, otherwise on the first business

day thereafter, if transmitted by facsimile with confirmation of receipt; (c) on the date officially recorded as delivered (or delivery refused) according to the record of delivery, if mailed by certified mail, return receipt requested, postage prepaid; or (d) on the date officially recorded as delivered (or delivery refused) according to the record of delivery, when delivered by courier; in each case, to the following:

If to the DISTRICT: Clark County Water Reclamation District
5857 East Flamingo Road
Las Vegas, NV 89122
Attention: Thomas Minwegen
Phone: 702-668-8063
Fax: 702-435-5435
tminwegen@cleanwaterteam.com

If to the AUTHORITY: Southern Nevada Water Authority
P.O. Box 99956
MS 115
Las Vegas, NV 89193-9956
Attention: Scott Krantz
Facsimile No.: (702) 691-5220
scott.krantz@snwa.com

With copy to: Southern Nevada Water Authority
c/o: Las Vegas Valley Water District
1001 South Valley View Blvd., MS 480
Las Vegas, Nevada 89153
Facsimile No.: (702) 259-8218
generalcounsel@lvvwd.com

A Party may change its contact information for purposes of this Agreement by giving the other Party written notice in the manner set forth above.

13. GOVERNING LAW; VENUE

This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of Nevada. All actions must be initiated in a state or federal court located in Clark County, Nevada, and the Parties consent to jurisdiction by such courts. The Parties agree they will not initiate an action against each

other in any other jurisdiction.

14. COUNTERPARTS

The Parties may execute this Agreement in counterparts and through agreed-upon electronic means. Each of these counterparts, when signed and delivered, is deemed to be an original, and all of such counterparts taken together shall constitute one instrument. Executed copies hereof may be delivered by email or in accordance with the “NOTICES” Section.

15. AMENDMENT

This Agreement may be modified or amended only by a written instrument signed by both Parties with the same formality as this Agreement.

16. PERFORMANCE OF ACTS ON BUSINESS DAYS

Any reference in this Agreement to time of day refers to local time in Nevada. All references to days in this Agreement refer to calendar days, unless stated otherwise. Any reference in this Agreement to a “business day” refers to a day that is not a Friday, Saturday, Sunday or observed as a holiday by DISTRICT. If the final date for payment of any amount or performance of any act required by this Agreement falls on a non-business day, that payment is required to be made or act is required to be performed on the next business day.

17. HEADINGS; CROSS REFERENCES; USAGE OF WORDS

The section titles contained in this Agreement are used solely for convenience and do not constitute a part of this Agreement, nor should they be used to aid in any manner in the construction of this Agreement. All references in this Agreement to Sections are to Sections in this Agreement, unless otherwise specified. When not inconsistent with the context, words used in the present tense include the future tense, words in the plural include the singular, words in the singular include the plural, and the word “power” includes electrical capacity and electrical

energy. When followed by an example, the words “include,” “includes,” and “including” are to be read as if they were followed by the phrase “without limitation.” Unless otherwise expressly stated, words not defined herein shall be given their common and ordinary meaning.


IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

CLARK COUNTY WATER RECLAMATION DISTRICT
CLARK COUNTY, NEVADA

By: _____
THOMAS A. MINWEGEN
General Manager

Dated: _____, 2022

APPROVED TO AS OF FORM:



DAVID STOFT
General Counsel

Dated: February 28, 2022

SOUTHERN NEVADA WATER AUTHORITY

By: _____
JOHN J. ENTSMINGER
General Manager

Dated: _____, 2022

APPROVED TO AS OF FORM:

GREGORY J. WALCH
General Counsel

Dated: _____, 2022

EXHIBIT A
POWER SUPPLY ASSETS

**Solar Energy Power Purchase Agreement between Boulder Flats Solar, LLC
and Southern Nevada Water Authority**

A Pro Rata Share (as defined below) of output purchased by the AUTHORITY pursuant to that certain Solar Energy Power Purchase Agreement between Boulder Flats Solar, LLC and Southern Nevada Water Authority dated March 25, 2021 (“Boulder Flats PPA”).

The Parties agree that the following terms shall apply with respect to this Power Supply Asset. All initial capitalized terms used and not defined in this Agreement shall have the meaning set forth in the Boulder Flats PPA.

1. Sale and Purchase. Commencing as of commercial operations of the Boulder Flats facility, AUTHORITY shall have purchase power rights to approximately 113 MWAC of Renewable Energy and associated Renewable Energy Attributes. During the Term of the Boulder Flats PPA, AUTHORITY shall sell and deliver to DISTRICT, and DISTRICT shall purchase from AUTHORITY, a Pro Rata Share of (i) all of the Renewable Energy generated by the facility that is delivered to the 230kV terminus of the River Mountains System at the Mead 230kV substation operated by Western, and (ii) as further set out in Section 4 below, any Renewable Energy Attributes associated with such Renewable Energy conveyed under the Boulder Flats PPA.

Determination of DISTRICT Pro Rata Share:

A.	DISTRICT’s Contract Capacity:	9,000 kw
B.	Facility Expected Output:	113,000 kw
C.	Pro Rata Share	7.96% (A/B)

2. Price

The price of all delivered Renewable Energy sold by the AUTHORITY to the DISTRICT shall be \$30.49/MWh subject to the adjustment set forth in Section 7 below.

3. Term and Survival.

- a. Subject to early termination as provided in this Section 3, the AUTHORITY shall manage this Power Supply Asset commencing on the Commercial Operation Date of the Facility and continue until the earlier of twenty fifth (25th) year anniversary of

Commercial Operation Date or the termination date of the Boulder Flats PPA, subject to such continued effectiveness as set forth in Section 11 of the Agreement.

- b. Early Termination Due to Failure to Achieve Commercial Operation of the Facility. This Power Supply Asset designation on Exhibit A may be terminated by written notice of either Party if the Facility does not achieve or is not expected to achieve commercial operations by its Guaranteed Commercial Operation Date, including any extension thereof, as such term is defined in the Boulder Flats PPA.
 - c. Survival of Provisions. Applicable provisions of this Power Supply Asset commitment shall continue in effect after cancellation, expiration, or earlier termination of the Boulder Flats PPA to the extent necessary to enforce or complete the duties, obligations or responsibilities of the Parties arising prior to termination and, as applicable, to provide for: final billings and adjustments related to the period prior to termination, repayment of any money due and owing to either Party pursuant to this Agreement, and the indemnifications specified in this Agreement.
4. Conveyance of Renewable Energy Attributes. Unless otherwise directed by DISTRICT, AUTHORITY will manage the Renewable Energy Attributes (referred to as Renewable Energy Benefits in the Boulder Flats PPA) produced by the Facility in accordance with Section 5.9 of this Agreement. Should DISTRICT elect to manage and otherwise administer its own Renewable Energy Attributes, at each Party's own expense, AUTHORITY and DISTRICT shall execute all documents and instruments necessary to effect the transfer of the Renewable Energy Attributes to DISTRICT or its respective designees, including compliance with all Applicable Laws, including the Renewable Energy Law and all rules and regulations established by any Person for the issuance and tracking of PECs, including the PEC Administrator, the PUCN and NVTREC. For avoidance of doubt, no ITCs, Tax Credits, or other tax incentives existing under Applicable Laws shall be conveyed to DISTRICT.
5. Good Title and Risk of Loss. AUTHORITY warrants that it will deliver to DISTRICT Renewable Energy and Renewable Energy Attributes (if applicable) free and clear of all liens, security interests, claims and encumbrances or any interest therein or thereto by any person arising prior to delivery.
6. Test Energy. AUTHORITY shall have no obligation to sell, and DISTRICT shall have no obligation to purchase, Test Energy from the Facility or any associated Renewable Energy Attributes accrued to the account of AUTHORITY from the Facility prior to the Commercial Operation Date.
7. Credits to DISTRICT Based on Facility Output Guaranty. To the extent that AUTHORITY receives final payment for an Output Shortfall under Section 7.4 of the Boulder Flats PPA as a result of the Facility failing to meet its Output Guaranty (as such term is defined in the Boulder Flats PPA), AUTHORITY shall promptly notify DISTRICT of such payment and thereafter pay within twenty (20) days of receipt of a liquidated damages payment an amount equal to DISTRICT's Pro Rata Share times the amount of the liquidated damages payment net of AUTHORITY's expenses associated with validating and securing the payment.

8. Boulder Flats Solar, LLC or any successor in interest as seller under the Boulder Flats PPA (i) shall be considered a third party for purposes of indemnification pursuant to Article 7 of the Agreement, and (ii) as provided in Article 8 of the Agreement, shall not be considered a third-party beneficiary of the Agreement.