

**CITY OF LOGAN, UTAH  
RESOLUTION NO. 19-45**

**A RESOLUTION AUTHORIZING AND APPROVING THE CARBON FREE  
POWER PROJECT SALES CONTRACT WITH UTAH ASSOCIATED  
MUNICIPAL POWER SYSTEMS; THE INITIAL BUDGET AND PLAN  
OF FINANCE FOR THE PROJECT; AND RELATED MATTERS.**

WHEREAS, the City of Logan, Utah (the "*Participant*") is a member of the Utah Associated Municipal Power Systems ("*UAMPS*") pursuant to the provisions of the Utah Associated Municipal Power Systems Amended and Restated Agreement for Joint and Cooperative Action, as amended (the "*Joint Action Agreement*").

WHEREAS, one of the purposes of UAMPS under the Joint Action Agreement is the acquisition and construction of electric generating transmission and related facilities in order to secure reliable, economic sources of electric power and energy for its members;

WHEREAS, UAMPS proposes to acquire and construct a nuclear generating facility plant known as the Carbon Free Power Project (the "*Project*") to be located at a site within the Idaho National Laboratory near the City of Idaho Falls, Idaho;

WHEREAS, the Governing Body has reviewed (or caused to be reviewed on its behalf) certain descriptions and summaries of the Project, the Power Sales Contract and the Project Agreements ("Project Agreements" and other capitalized terms used and not defined herein shall have the meanings assigned to them in the Power Sales Contract), and representatives of the Participant have participated in discussion and conferences with UAMPS and others regarding the Project and have received from UAMPS all requested information and materials necessary for the decision of the Governing Body to authorize and approve the Power Sales Contract;

WHEREAS, the Participant acknowledges that the obligation of the Participant to make the payments provided for in the Power Sales Contract will be a special obligation of the Participant and an operating expense of the Participant's electric system, payable from the revenues and other available funds of the electric system, and that the Participant shall be unconditionally obligated to make the payments required under the Power Sales Contract whether or not the Project or any portion thereof is acquired, constructed, completed, operable or operating and notwithstanding the suspension, interruption, interference, reduction or curtailment of the output thereof for any reason whatsoever;

WHEREAS, the Governing Body has reviewed (or caused to be reviewed on its behalf) the initial Budget and Plan of Finance for the Project prepared by UAMPS setting forth, among other things, preliminary estimates of the Development Costs, Cost of Acquisition and Construction, the estimated timeline for the development and construction of the Project, the estimated target price range for Project output, and now desires to approve the initial Budget and Plan of Finance; and

WHEREAS, the Participant now desires to authorize and approve the Power Sales Contract;

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the City of Logan, Utah, as follows:

*Section 1. Approval of Power Sales Contract and Budget and Plan of Finance; Entitlement Share.*

(a) The Power Sales Contract, in substantially the form attached hereto as *Annex A*, is hereby authorized and approved, and the Mayor is hereby authorized, empowered and directed to execute and deliver the Power Sales Contract on behalf of the Participant, and the City Recorder is hereby authorized, empowered and directed to attest and countersign such execution and to affix the corporate seal of the Participant to the Power Sales Contract, with such changes to the Power Sales Contract from the form attached hereto as *Annex A* as shall be necessary to conform to the Participant's legal status, to complete the form of the Power Sales Contract or to correct any minor irregularities or ambiguities therein and as are approved by the Mayor, her execution thereof to constitute conclusive evidence of such approval.

(b) The initial Budget and Plan of Finance attached hereto as *Annex B* is hereby approved.

(c) An Entitlement Share representing up to 5,000 kW of capacity, as such capacity amount may be rounded upon the approval of the Project Management Committee and the Participant's Representative pursuant to the Power Sales Contract to provide a whole number of small modular reactors is hereby authorized and approved.

*Section 2. Participant's Representative.*

(a) The appointment of Mark Montgomery as the Participant's Representative to UAMPS and of Yuqi Zhao as alternate Representative is hereby confirmed.

(b) Such Representative (or, in his or her absence, such alternative(s)) is hereby delegated full authority to (i) approve any appendix to the Pooling Agreement between UAMPS and the Participant that may be necessary or desirable in connection with the utilization of the Participant's Entitlement Share, and (ii) act on all matters that may come before the Project Management Committee established by the Power Sales Contract, and shall be responsible for reporting regularly to the Governing Body regarding the activities of the Project Management Committee; *provided that* the Representative shall not deliver a Notice of Withdrawal or a Notice of Reduction under the Power Sales Contract without prior consultation with, and prior approval from, the Governing Body.

*Section 3. Compliance with Tax Covenants.* The Participant agrees in the Power Sales Contract that it will apply all of the electric power and energy acquired under the Power Sales Contract to a Qualified Use and that it will not take or omit to take any action which could adversely affect the Tax Status of any Bond or Bonds theretofore issued or thereafter issuable by

UAMPS. In furtherance of that agreement, the Governing Body of the Participant hereby agrees that it will observe and comply with such instructions as may be provided from time to time by UAMPS with respect to the Qualified Use of the electric power and energy acquired under the Power Sales Contract.

*Section 4. Further Authority*

(a) The Mayor and City Recorder are hereby authorized, empowered and directed to (i) execute the Certificate of the Participant in substantially the form attached as *Exhibit III* to the Power Sales Contract and to deliver the same to UAMPS, and (ii) from time thereafter and upon request from UAMPS, execute the Bring-Down Certificate of the Participant in substantially the form attached as *Exhibit IV* to the Power Sales Contract and to deliver the same to UAMPS.

(b) The Participant's legal counsel is hereby authorized, empowered and directed to (i) execute the Opinion of Counsel to the Participant in substantially the form attached as *Exhibit V* to the Power Sales Contract and to deliver the same to UAMPS, and (ii) from time to time thereafter and upon the request of UAMPS, execute the Bring-Down Opinion of Counsel to the Participant in substantially the form attached as *Exhibit VI* to the Power Sales Contract and to deliver the same to UAMPS.

*Section 5. Miscellaneous; Effective Date.*

(a) This resolution shall be and remain irreplaceable until the expiration or termination of the Power Sales Contract in accordance with its terms.

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

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

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


(e) The Utah Associated Municipal Power Systems Amended and Restated Agreement for Joint and Cooperative Action dated as of March 20, 2009 and all amendments thereof and supplements thereto (the "*Joint Action Agreement*") is hereby authorized, approved, ratified and confirmed, and the officers of the attorney for the Participant authorized above are hereby authorized and directed to execute and deliver the Joint Action Agreement for and on behalf of the Participant.

THIS RESOLUTION duly adopted this 16 day of July 2019, by the following vote:

Ayes: Anderson, Bradford, Jensen, Olsen, Simmonds

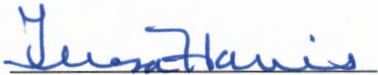
Nays: none

Absent: none



Jeannie F. Simmonds, Chair

ATTEST:



Teresa Harris, City Recorder





UAMPS  
 CARBON FREE POWER PROJECT - BUDGET & PLAN OF FINANCE  
 7/12/2019

<b>Budget &amp; Plan of Finance (Section 601)</b>		<b>Logan (the "Participant"):</b>		
		<i>Interim Period (30 MW)</i>	16.3132%	
		<i>150 MW Subscribed (5 MW)</i>	3.3333%	<i>No longer used</i>
		<i>Fully Subscribed 720 MW (5 MW)</i>	0.6944%	
<b>Section 601(a)</b>				
(i) Development Costs Incurred thru 3/31/2017:	<b>100% Gross Cost</b>	<b>Participant Net of Cost Share</b>	<b>Start</b>	<b>Finish</b>
	\$ 3,069,943	\$ 136,928	April 2015	March 2017
Estimated Costs to Completion of Development:	<b>100% Gross Cost</b>	<b>Participant Net of Cost Share</b>	<b>Start</b>	<b>Finish</b>
Interim Period (FY2018)	\$ 1,527,026	\$ 142,310	April 2017	<b>March 2018</b>
Licensing Period - 1st Phase (Maximum)	6,000,000	<b>244,698</b>	April 2018	<b>August 2019</b>
Licensing Period - 1st Phase (Remaining)	83,454,076	404,007	September 2019	<b>May 2020</b>
Licensing Period - 2nd Phase (Preliminary)	492,319,582	3,150,117	June 2020	<b>June 2023</b>
	<b>\$ 583,300,683</b>	<b>\$ 3,941,132</b>	<b>April 2017</b>	<b>June 2023</b>
(ii) Acquisition & Construction Preliminary Estimated Costs:	<b>Preliminary 100% Gross Cost</b>	<b>Preliminary Participant Net of Cost Share</b>	<b>Start</b>	<b>Finish</b>
	\$ 4,221,957,043	\$ 29,325,188	April 2015	Nov 2027

(iii) CFPP Estimated Timeline for the Development & Construction of Intial Facilities:

	<u>Start</u>	<u>Finish</u>	<u># of Mos.</u>
Interim Period - FY2018 (PSC Executed)	April 2017	March 2018	12 mos.
Licensing Period - 1st Phase (COLA Submittal)	April 2018	May 2020	26 mos.
Licensing Period - 2nd Phase (COLA Issued)	June 2020	June 2023	37 mos.
Construction Period (COD)	July 2023	November 2027	41 mos.

(iv) Price Target (2018) Estimated range: \$45.00 to \$60.00

**Assumptions:**

1. The development costs through the interim period, or 3/31/2018, is allocated to the Participant based on their current entitlement (30 MW / 183.9 MW), or 16.3132%
2. The Maximum 1st Phase of the Licensing Period, thru August 2019, is allocated to the Participant based on an 30 MW subscription of the 183.9 MW minimum Power Sales Contract subscription from 12/1/2017 to 8/31/2019, or 16.3132%.
3. The development costs post the Maximum 1st Phase of the Licensing Period is allocated to the Participant based on an 5 MW subscription of a fully subscribed 720 MW project, or 0.6944%.
4. There is a cost sharing arrangement reflected in these numbers in which the DOE covers 50% of all qualified project expenditures with a \$63.35M cap and NuScale covers 25% of all qualified project expenditures with an \$8.3M cap.
5. Beginning with the Licensing Period - 1st Phase, interest will be capitalized until COD through the Acquisition and Construction financing. The 100% Gross Cost capitalized interest is projected to be approximately \$567M. The model assumes the PMC will decide to capitalize the interest during construction.
6. Post COD, interest expense associated with the financing will no longer be capitalized. The annual debt service payment will include both principle & interest and is expected to be amortized over 40 years.